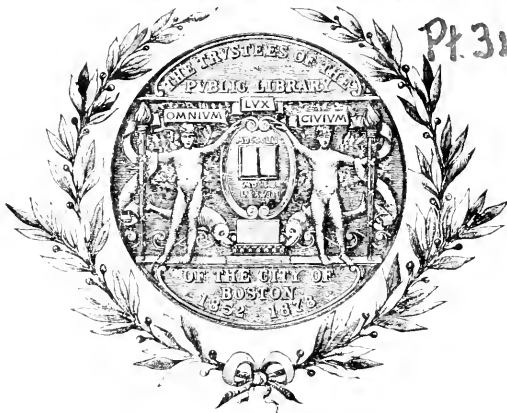


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INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

HEARINGS

BEFORE THE

SELECT COMMITTEE

ON IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

EIGHTY-FIFTH CONGRESS

SECOND SESSION

PURSUANT TO SENATE RESOLUTIONS 74 AND 221, 85TH CONGRESS

JULY 31 AND AUGUST 1, 1958

PART 35

Printed for the use of the Select Committee on Improper Activities in the
Labor or Management Field



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SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR
OR MANAGEMENT FIELD

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INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

THURSDAY, JULY 31, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 11 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the caucus room, United States Senate, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Frank Church, Democrat, Idaho; Senator Irving M. Ives, Republican, New York; Senator Barry Goldwater, Republican, Arizona; Senator Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; John J. McGovern, assistant counsel; Pierre E. Salinger, investigator; Ruth Young Watt, chief clerk.

(At this point, the following members were present: Senators McClellan, Ives, Ervin, and Goldwater.)

The CHAIRMAN. The hearing will be in order.

The Chair will make a brief statement regarding the next phase of its work. The committee now turns its attention to another specific phase in the continuing inquiry we are making into racketeer and hoodlum infiltration into legitimate business and union enterprises.

In our hearings into the gangland meetings at Apalachin, N. Y., and the infiltration of racketeers into management and labor in the Chicago restaurant industry, we have already established the existence of an organized conspiracy to control certain management and labor activities.

Evidence presented at the time of the Apalachin hearing confirmed the close ties between racketeers in New York, Cleveland, upper New York State, and Pennsylvania, with individuals in Detroit, Mich. Further testimony was to the effect that the Detroit group is a close-knit operation controlling illegal activities in a number of different fields, including gambling and narcotics.

Now we shall inquire into whether or not known racketeers, or associates of known racketeers, have established a base in the linen and overall industries in Detroit, Mich.

Further, as our background hearings on the Apalachin meeting participants indicated, the linen and overall industries are appealing in that they deal in cash and with customers who are susceptible to various types of pressures. We will be interested in and will try to

determine what type of pressures were used by these linen and overall companies in the expansion of their businesses and, particularly, as to the part played by certain key officials of the International Brotherhood of Teamsters in the Detroit area.

The committee will be interested in finding out what, if anything, Mr. James R. Hoffa did in the way of either curbing or condoning the activities of these Teamster officials.

Mr. Hoffa has been asked to return before the committee in the week beginning August 4, 1958, at which time he will be asked about these matters being presented this week, as well as a number of other subjects of interest to the committee.

All right, Mr. Counsel, call the next witness. Let the clerk note that the exhibits from here on will be started with No. 1, in this series of hearings.

Mr. KENNEDY. Mr. Irvin Paul Miller.

The CHAIRMAN. Be sworn, please, sir.

You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MILLER. I do.

TESTIMONY OF IRVIN PAUL MILLER

The CHAIRMAN. State your name, your place of residence, and your business or occupation, Mr. Miller.

Mr. MILLER. My name is Irvin Paul Miller. I reside in Detroit, Mich. I am owner of the New Method Laundry & Coverall Supply.

The CHAIRMAN. Thank you very much. You waive counsel, do you, Mr. Miller?

Mr. MILLER. I do.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Miller, you are one of the owners of the New Method Laundry; is that right?

Mr. MILLER. That is right.

Mr. KENNEDY. It is also a dry-cleaning company; is that right?

Mr. MILLER. Yes, sir.

Mr. KENNEDY. Were you contacted in 1952 by Mr. Vincent Meli?

Mr. MILLER. I was.

Mr. KENNEDY. He is the son of Mr. Angelo Meli; is that correct?

Mr. MILLER. That is right.

Mr. KENNEDY. Would you tell us what your conversations were with Mr. Vincent Meli?

Mr. MILLER. Mr. Meli and a fellow named Louis Eisenberg wanted to rent a building I had.

Mr. KENNEDY. Louis Eisenberg?

Mr. MILLER. That is right. They wanted to rent a building that I had vacant at the time and set up a coverall business.

Mr. KENNEDY. A coverall business?

Mr. MILLER. Coverall supplies.

Mr. KENNEDY. Could you explain what the coverall supply business is?

Mr. MILLER. Well, they rent uniforms and coveralls and shop tools to gas stations, tool shops, anything that they might want to wear uniforms at.

Mr. KENNEDY. And Mr. Vincent Meli told you at that time that he was going to set up such a company and wanted to rent a building?

Mr. MILLER. That is right.

Mr. KENNEDY. Would you tell what happened there, subsequently?

Mr. MILLER. Well, he and Mr. Eisenberg came down and looked at the building and decided it would be all right for their use. We had a meeting approximately a week or so later and we went over prices as to what we were charging to do the work.

They were going strictly in the rental phase of it, and we were to do the washing and ironing, the processing. At that time, we concluded a contract as to prices we would charge, and a fellow named Joseph Lehr entered into the picture.

Mr. KENNEDY. That is Joe Lehr? L-e-h-r?

Mr. MILLER. L-e-h-r, yes.

Mr. KENNEDY. And he came into the picture also at that time?

Mr. MILLER. He came in at the time that we signed a contract, although he did not sign it.

Mr. KENNEDY. Was it indicated at that time that he was to be a partner in this business?

Mr. MILLER. Well, he said that he was coming in as a partner just as soon as he got served with Klean Linen. He had some dealing there that he had money coming from.

Mr. KENNEDY. That is Klean Linen that he had been associated with?

Mr. MILLER. Yes.

Mr. KENNEDY. How do you spell that?

Mr. MILLER. K-l-e-a-n, I believe it is.

Mr. KENNEDY. Who had been the one that operated Klean Linen that Mr. Lehr had been in with?

Mr. MILLER. Well, Mr. Lehr was a salesman, a field salesman there, I believe, at that time.

Mr. KENNEDY. Do you know who owned Klean Linen?

Mr. MILLER. He was questioned on television awhile before that, but I don't recall what his name is.

Mr. KENNEDY. Mr. Chairman, in a few minutes we will put in a little bit of the background of that company, as well as the background of some of these individuals that this witness is mentioning, so we can get a clear picture of the situation.

Did you have any conversations with Vincent Meli or Mr. Lehr as to the difficulty in operating this kind of a business, that there was going to be a great deal of competition?

Mr. MILLER. Yes.

Mr. KENNEDY. Would you relate to the committee your conversations about that?

Mr. MILLER. Well, at the time I asked them why they were starting a overall business when the competition was so keen.

At that time, they told me that they weren't worried about competition because they had enough backing that they could get all the cover-all business they needed.

Mr. KENNEDY. What do you mean enough backing? What was meant by that?

Will you explain it?

Mr. MILLER. Well, at that time he said it was pressure, they would put pressure on stops and they would take them over.

Mr. KENNEDY. He said they had it——

Mr. MILLER. They had the pressure backing to take over the stops.

Mr. KENNEDY. He said they could put pressure to take over the stops?

Mr. MILLER. That is right. They had enough people behind them with power to step in and take over.

Mr. KENNEDY. Did he indicate who some of those people were?

Mr. MILLER. Angelo Meli was one of them.

Mr. KENNEDY. He is a very well known gangster and hoodlum in Detroit?

Mr. MILLER. That is right. He is Vince Meli's father.

Mr. KENNEDY. Did he tell you some of the others back of it?

Mr. MILLER. Pete Licavoli and Joe Bommarito.

Mr. KENNEDY. Is that Scarface Joe?

Mr. MILLER. That is the one, yes.

Mr. KENNEDY. Are they all well-known gangsters and hoodlums in the Detroit area?

Mr. MILLER. They have been for several years.

Mr. KENNEDY. He indicated to you that these individuals would be the ones that could apply the pressure for them to get the business; is that right?

Mr. MILLER. That is right.

Mr. KENNEDY. Did you ever see any of these people in the headquarters of the new company?

Mr. MILLER. They met occasionally in the office of the building that I rented them.

Mr. KENNEDY. Did you ever see Pete Licavoli in there?

Mr. MILLER. On one occasion I was asked in to meet the boys, and Joe Lehr took me in, and introduced me. Bommarito, Licavoli, and Angelo Meli were there at the time. Of course, I was hustled in and introduced to them and hustled right out again.

Mr. KENNEDY. Was Mr. Angelo Meli in there on other occasions?

Mr. MILLER. Several times.

Mr. KENNEDY. You saw him a number of times?

Mr. MILLER. It seemed every time they were ready to take over a big stop, he would be in there meeting with them, I assume laying out some sort of strategy.

(At this point, Senator Ives withdrew from the hearing room.)

Mr. KENNEDY. Why would these people be able to take over stops and get business for this new company?

Mr. MILLER. Well, I imagine with their underworld background, that a lot of small-business men and gas stations and garages would be afraid to give them an argument. A lot of people like to live on.

Mr. KENNEDY. Was that the way it appeared to you at the time?

Mr. MILLER. That is the way it appeared to me.

Mr. KENNEDY. That was the impression he gave you in relating these facts to you, is that right?

Mr. MILLER. That is right.

Mr. KENNEDY. That this was the pressure they would be able to put on businesses?

Mr. MILLER. Yes.

Mr. KENNEDY. The underworld connections of these individuals?

Mr. MILLER. That is right.

Mr. KENNEDY. Did Joe Lehr indicate to you that he had any connections with the union?

Mr. MILLER. On one occasion. We had a misunderstanding with a driver over pay and I was called by local 285. I felt that I was in the right, that I didn't owe the driver what he was asking for. So I asked for a meeting with the union after he called me. We set up a schedule to meet and discuss this particular case.

Mr. Lehr heard about it, he happened to be in the office at the time. I don't know whether he was paying the bill or whether he stopped to pick up his mail in there or why he was there, but he happened to be there for a minute, and he told me after I hung up the phone, or he asked me, rather, if I was having trouble with the union, and I said: "Well, it is just a minor matter; I can settle it. There is nothing to it."

He said, "Well, if you have any trouble with them, let me know, and I will take them off your back right away."

Mr. KENNEDY. He said he could straighten it out?

Mr. MILLER. He said he could straighten it out, that he had good connections with the union.

Mr. KENNEDY. What union was this?

Mr. MILLER. Teamsters Local 285.

Mr. KENNEDY. Did you know of his relationship with any of the Teamsters officials?

Mr. MILLER. No, sir.

Mr. KENNEDY. Did you know that the company had a close relationship with some of the Teamsters officials with criminal records?

Mr. MILLER. Well, at different times there had been different things said. I don't recall offhand. But the understanding I got was they would go to the old man, the one they called Angelo Meli, and he in turn knew where to put the pressure on then in the union to keep them off anybody's back.

Mr. KENNEDY. Did you know of his close relationship with Mr. Hoffa at that time?

Mr. MILLER. No; I never was told that they were buddy-buddy or anything, but he said that they had plenty of good connections there.

Mr. KENNEDY. Were you, yourself, ever threatened by this company?

What was the name of the company?

What name did they take?

Mr. MILLER. Star Coverall Co.

Mr. KENNEDY. Were you, yourself, ever threatened or did you have any dispute with the company?

Mr. MILLER. On one occasion, shortly after they went into business, probably 2½ to 3 months, there was a load of coveralls faded in the machine when it was being washed. I mean, all the colors run. That is something very unusual in this business, because we use all patent laundry soaps and supplies; they are guaranteed against fading. But in this particular instant, the whole machine load faded, and we were at a loss to find out what caused it. We began checking it and we could come up with no answer of our own as to why it happened, other than the fact that somebody may have put a capsule in one of the clothes after it was put in the machine, at one of their particular stops.

The outcome was that we paid \$783 to Star Coverall for that load.

Mr. KENNEDY. What conversation did you have with anybody at Star Coverall about that?

Mr. MILLER. When it happened, Mr. Lehr became very excited. In fact, he seemed to be running the show there, or running the outfit, I might say, the coverall company, and he said the old man was not going to like that, that somebody was going to have to pay for it.

Mr. KENNEDY. Who was meant by the old man?

Mr. MILLER. Angelo Meli.

Mr. KENNEDY. Did they also refer to Angelo Meli?

Mr. MILLER. He did, in particular, he always referred to him as the old man.

Mr. KENNEDY. He said in this connection that the old man did not like this?

Mr. MILLER. That somebody was going to have to pay for that load. I was given to believe within that same week that I better pay for it, or there was going to be some pretty rough stuff go on around there.

Mr. KENNEDY. Did you pay for it?

Mr. MILLER. I paid for the load.

Mr. KENNEDY. Why did you pay for it?

Mr. MILLER. Well, I like to live on, too. Sometimes you get kind of scared of things, you know. Everybody has a point where they give in.

Mr. KENNEDY. Mr. Chairman, I would just like to call in this connection a staff member to give the background of some of these individuals.

The CHAIRMAN. Mr. Miller, if you will, remain seated.

Be sworn again.

You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SALINGER. I do.

TESTIMONY OF PIERRE E. G. SALINGER

The CHAIRMAN. State your name and your present occupation, please?

Mr. SALINGER. My name is Pierre Salinger. I reside at 3611 O Street NW., Washington, D. C. I am an investigator for this committee.

Mr. KENNEDY. Mr. Salinger, we have had some discussions about three individuals here, Mr. Angelo Meli, Mr. Pete Licavoli, and Mr. Joe Bonmarito. Can you give us the background of any of those individuals?

Mr. SALINGER. I can, sir.

First, with respect to Mr. Angelo Meli, Mr. Angelo Meli was born in Italy in 1897, and came to the United States in 1913. He was naturalized in 1929. During 1956, the Immigration Department attempted to denaturalize him, but this action was dismissed on December 24, 1957. It is currently under appeal by the Immigration Department. He has an extensive police record going back to 1919.

He has been arrested three times for murder, once for kidnaping, three times for carrying concealed weapons; despite this extensive record, however, he has only been convicted one time, and that was on the charge of carrying a concealed weapon in 1920.

Mr. KENNEDY. Is it true that in 1929 or thereabouts, in early 1930, that he traveled around in a bulletproof automobile?

Mr. SALINGER. In 1930 he was the head of the Capital Coal Co. in Detroit, and it came to the attention of the police that this firm was being used as a drop for machineguns and rifles sent to Detroit criminals by New York gangsters. At that time also they found this car which had machinegun emplacements in it.

Mr. KENNEDY. His automobile had machinegun emplacements in it?

Mr. SALINGER. That is correct, sir.

Mr. Meli has been in a number of ventures. In the early 1920's, he was listed by the Detroit Police Department as public enemy No. 1, and the police department sent out orders that they were to arrest him on sight. During the early 1920's, he was associated with another gentleman in the operation of the Whip Cafe, in Detroit, Mich., a center of gambling and other crimes. He also was a partner in the operation of the Chalet Gambling Den in Detroit during the 1930's.

It might be interesting to note that among his partners in this venture was Louis Riccardi, the owner of the Klean Linen Co. mentioned here earlier.

Mr. KENNEDY. That was the company that Mr. Joe Lehr had been associated with?

Mr. SALINGER. That is right.

Mr. KENNEDY. Briefly, and I don't want to interrupt on Angelo Meli, but briefly on Mr. Riccardi, has he a long criminal record also?

Mr. SALINGER. He does.

Mr. KENNEDY. For instance, how many times has Mr. Riccardi been arrested for murder?

Mr. SALINGER. Mr. Riccardi has been arrested for murder five times. I can give you the times, if you are interested. He has also been arrested a number of times for other charges, like carrying concealed weapons, robberies, as I say, in the early 1940's, associated in this gambling operation with Angelo Meli and others.

Mr. KENNEDY. He is a well-known figure in the underworld?

Mr. SALINGER. Very well known in the underworld in Detroit.

Mr. Angelo Meli has had a number of so-called legitimate interests.

Mr. KENNEDY. How do you spell Riccardi?

Mr. SALINGER. R-i-c-c-a-r-d-i.

Among these companies in which he has had an interest has been the J. & J. Novelty Co., which is a jukebox operation, the Daller Dry Cleaners, the Bilvin Distributing Co. We have had some testimony about that in our hearings on the Teamsters earlier. That is the company in which William Bufalino of local 985 had an interest. The Flint Cold Storage Co., the Federal Auto Supply Co., the Club Royal, and the J & R Amusement Co.

He also shows considerable income from real estate and owns a large farm in Marine City, Mich. Mr. Meli has been a fugitive from the committee now for a period of some time.

Mr. KENNEDY. Mr. Chairman, we have been looking for him for a long period of time.

Mr. SALINGER. Yes, sir.

The CHAIRMAN. Who is that?

Mr. SALINGER. Angelo Meli.

Mr. KENNEDY. We have been unable to find him.

Mr. SALINGER. Now with regard to Joe Bommarito—

MR. KENNEDY. On Mr. Bufalino, you mentioned his being interested in the same company that Angelo Meli was interested in. Is he related to Mr. Meli?

MR. SALINGER. He is.

MR. KENNEDY. What is his relation?

MR. SALINGER. Mr. Meli's niece is married to Mr. William E. Bufalino.

MR. KENNEDY. Then also Mr. Hoffa testified before the committee that he considers himself a friend of Mr. Meli's, is that right?

MR. SALINGER. He did, yes, sir.

MR. KENNEDY. All right.

MR. SALINGER. Joe Bommarito, known as "Scarface" Joe Bommarito, was born in St. Louis, Mo., in 1903, but moved to Detroit at an early age. He is reputed in the reports that we have to have been the triggerman in a number of gang slayings in the Detroit area. He was arrested and tried for the murder of a local commentator in the Detroit area named Jerry Buckley. Buckley was shot and killed in Detroit in 1927 following his exposé of political and criminal tieups in Detroit. Bommarito and two others were acquitted after a long-time trial on this. Bommarito was also a prime suspect in the shooting of a Detroit police inspector, Henry Garvin, who was the head of the bomb squad of the Detroit Police Department. He is reported to have several legitimate interests, including the Michigan Mutual Distributing Co.; a partnership with Peter Licavoli in the Apache Building Corp.; and an interest in the G & S Service Co. We have other information here about his associates.

MR. KENNEDY. Mr. Chairman, we are also looking for this individual, "Scarface" Joe Bommarito. We located him tentatively down in Florida. He has also disappeared and we have been unable to find him. These are two of the individuals, are they not, that were behind this operation as related to Mr. Miller?

MR. SALINGER. That is correct, sir. A third one was Mr. Peter Licavoli, who was born in St. Louis, Mo., in 1902. Mr. Licavoli, maintains 2 residences, 1 in Grosse Pointe, Mich., and the other in Tuscon, Ariz.

Incidentally, his wife is Grace Bommarito, who is the sister of "Scarface" Joe Bommarito. Licavoli was just sentenced to 2½ years in the Federal penitentiary for violation of the income-tax laws. This sentence was passed on him Monday in Detroit, Mich. He has an extensive police record dating back to 1922, involving robbery, armed robbery, violation of the Volstead Act, kidnaping, carrying concealed weapons, murder, extortion, assault and battery.

THE CHAIRMAN. What interest did he have in this particular company?

MR. SALINGER. Mr. Licavoli was mentioned to Mr. Miller as one of the people who was backing the Star Coverall Co., to assist them in getting business.

THE CHAIRMAN. Did you testify that this man was identified to you as one of the backers of this business?

MR. MILLER. That is right.

MR. SALINGER. Mr. Licavoli, according to the reports we have, has long been associated with the numbers racket in Detroit, Mich., and, also, during prohibition was active in the running of whisky from Canada into the United States.

He has amassed quite a fortune and has a number of legitimate interests, which include the Grace Ranch in Tucson, Ariz., which is a very lavish setup there; the Casa Catalina Motel, in Tucson, Ariz.; the Tucson Printing Co., in Tucson, Ariz.; the Apache Building Corp., which operates in both Tucson and Detroit, which is currently building extensive subdivisions in Detroit.

The Machine Tray Pak Corp. in Detroit, Mich., a corporation formed for the manufacturing of machines and devices for the packaging of fruits and other perishable fruits. He and "Scarface" jointly own two apartment buildings in Detroit, also, the Emerson Apartments and the Longfellow Apartments. His brother, Thomas Yonnie Licavoli, who was associated with him in his early days in Detroit, is currently serving a life sentence in the Ohio State Penitentiary. He has been there since 1933. According to——

Mr. KENNEDY. Is there anything else?

Mr. SALINGER. No; that is the background.

Mr. KENNEDY. That is the background of these individuals. Does he also have an interest in a racetrack?

Mr. SALINGER. It has recently come to our attention that he does have an interest in a racetrack in Tucson, Ariz., called the Rillito Park Racetrack.

Mr. KENNEDY. And some of his relatives also have rather an extensive interest in that racetrack?

Mr. SALINGER. A number of shares of stock are held in the name of Grace Licavoli, who is his wife.

TESTIMONY OF IRVIN PAUL MILLER—Resumed

Mr. KENNEDY. Is it because of the background of these individuals that there would be some fear from the operation of this company?

Mr. MILLER. That is right.

Mr. KENNEDY. It is well known in Detroit about these people?

Mr. MILLER. Yes.

Mr. KENNEDY. There is one other matter that I want to discuss with you, Mr. Miller. In the 1940's, were you having difficulty signing a contract with the Teamsters Union?

Mr. MILLER. Well, I didn't at that time, but my brother did.

Mr. KENNEDY. What was the name of the company?

Mr. MILLER. New Method Laundry.

Mr. KENNEDY. He was operating it?

Mr. MILLER. He was operating it inside and I had charge of the routes.

Mr. KENNEDY. Had the Teamsters Union local been adamant about signing the contract?

Mr. MILLER. Well, they had run into this stalemate.

Mr. KENNEDY. Who was operating the union at that time?

Mr. MILLER. Isaac Litwak.

Mr. KENNEDY. What local?

Mr. MILLER. Local 285.

Mr. KENNEDY. You were having difficulty, were you, then?

Mr. MILLER. They could not get together and agree on it. This probably went along for about a month.

Mr. KENNEDY. Could you tell us what happened; how it was settled?

Mr. MILLER. Well, along after about a month, it was getting to a point where there was either going to be a strike in the industry or something had to be done about the contract.

The CHAIRMAN. You had reached a deadlock in the negotiations to where the next step looked like it was a strike.

Mr. MILLER. That is right.

The CHAIRMAN. Or you had to capitulate to their demands?

Mr. MILLER. That is right. Mr. Howard Backwell and John Meisner came in to see my brother. They evidently were the men in full charge of this contract signing.

Mr. KENNEDY. That is M-e-i-s-n-e-r?

Mr. MILLER. M-e-i-s-n-e-r, I believe it is.

Mr. KENNEDY. Who is the other man?

Mr. MILLER. Howard Backwell.

Mr. KENNEDY. Could you spell his name?

Mr. MILLER. I believe it is B-a-c-k-w-e-l-l.

Mr. KENNEDY. He was in charge?

Mr. MILLER. Backwell was president of the laundry association in Detroit, and Meisner acted in the capacity of adviser, or a capacity of some kind, with Mr. Backwell. We didn't see him only 2 or 3 times a year that they came around there, but, at the time of this contract deadlock, they were there pretty regularly.

On one particular day, I went in to check the dry checks for my routes, which hung in another room where the office was, and Mr. Backwell and Mr. Meisner were just coming out of the office. I stopped to talk with them for a couple of minutes, and I went on about my work. A short time later, my brother called me in and said that they would get the contract signed now; that they had it all straightened out. I said, "How did you work that out?"

He said, "Well, they made a deal with somebody higher up in the union to pay a certain figure for drivers, every laundry that was covered under this contract."

Mr. KENNEDY. A certain amount of money was to be paid per driver to a union official that was higher up than Mr. Litwak?

Mr. MILLER. That is right.

Mr. KENNEDY. That was of the Teamsters Union?

Mr. MILLER. That is right.

Mr. KENNEDY. And so much money was to be given to this individual?

Mr. MILLER. That is right. All the laundries were covered under this Teamsters contract. It was a blanket contract. When they signed for one, they signed for all. At that time, I imagine there was upward of about 1,700 or 1,800 drivers in the city.

Mr. KENNEDY. Did the contract get signed immediately?

Mr. MILLER. The contract was signed less than a week later.

Mr. KENNEDY. Mr. Litwak gave in on all of his demands?

Mr. MILLER. That is right. There were no further negotiations on it. It was signed as it was the previous year.

The CHAIRMAN. You finally concluded the contract with no change, no additional benefits, so far as the employees were concerned?

Mr. MILLER. That is right.

The CHAIRMAN. In other words, you and your brother won out, insofar as the position you were taking was concerned, with respect to contract terms?

Mr. MILLER. That is right. I would like to clarify my position at that time, though. I was supervisor of the routes, and I also was a member of the that union. It was cleared up at that time.

The CHAIRMAN. I understand. But, anyway, when you reached the higher ups, when you got up there, it was signed on the basis and terms that you wanted?

Mr. MILLER. That is right.

The CHAIRMAN. I mean that the company wanted.

Mr. MILLER. That the company wanted.

Mr. KENNEDY. And your brother told you that the money was paid?

Mr. MILLER. That is right. He told me that he had made his part of the payoff to them, and now they would get the contract signed.

Mr. KENNEDY. And a higher official in the Teamsters Union in Detroit had given instructions to Litwak?

Mr. MILLER. Would give instructions to Isaac Litwak to sign the contract as is.

The CHAIRMAN. Did you understand at the time that this was actually just a payoff; that the money was not going into the union treasury or was not going to benefit the men?

Mr. MILLER. That is right. I understood it was a direct payoff.

(At this point, Senator Goldwater withdrew from the hearing room.)

Mr. KENNEDY. Mr. Chairman, we will have a good deal more testimony on this matter next week, starting early in the week, as to the recipient of the money. That is all for now.

The CHAIRMAN. Have you any questions, Senator Ervin?

Senator ERVIN. I have no questions.

The CHAIRMAN. Thank you very much, Mr. Miller.

Call the next witness.

Mr. KENNEDY. Mr. Peter Licavoli.

The CHAIRMAN. Mr. Licavoli, come around, please.

Do we have any information about him?

Does anyone present, anyone on the staff or anyone in the audience, the press, or anyone else, have any information about Mr. Peter Licavoli, of Detroit, Mich.?

Mr. KENNEDY. Mr. Chairman, we had a conversation with his attorney, and also sent him a telegram. The telegram was returned with the notation that the addressee had refused to accept the telegram. We notified his attorney that he should be here and be prepared to testify, and the attorney stated at that time that, as Mr. Licavoli was served at a time while he was in Detroit, Mich., while he was awaiting sentence, that he doubted if Mr. Licavoli was going to appear before the committee. He was notified at that time that that was no reason for his not appearing, and that he should be here. He is being called at this time.

The CHAIRMAN. The Chair has before him the official subpoena served on Mr. Licavoli; according to the return on it, it was served in Detroit, Mich., in the 8th-floor lobby of the Federal Building, at 10:42 a. m. on the 28th day of July. It was served, according to the return, by Edward M. Jones. This subpoena will be printed in the record at this point.

Unless Mr. Licavoli appears during the day, I will ask counsel to make a further statement for the record, if he does not appear during

the day, as to further contacts or contacts you had with his counsel, and so forth. Then the committee staff will be instructed to immediately prepare contempt action so that the committee may process it promptly.

(The subpoena referred to is as follows:)

UNITED STATES OF AMERICA,
CONGRESS OF THE UNITED STATES

To PETER LICAVOLI,
Detroit, Michigan.

Greeting:

Pursuant to lawful authority, you are hereby commanded to appear before the Senate Select Committee on Improper Activities in the Labor or Management Field of the Senate of the United States, on forthwith, 195___, at ____ o'clock __ m., at their committee room 101 Senate Office Building, Washington, D. C., then and there to testify what you may know relative to the subject matters under consideration by said committee.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided.

To ----- to serve and return.

Given under my hand, by order of the committee, this 25th day of July in the year of our Lord one thousand nine hundred and fifty-eight.

JOHN L. MCCLELLAN,
*Chairman, Senate Select Committee on Improper Activities in the
Labor or Management Field.*

It is requested that you telephonically contact Mr. Robert F. Kennedy at Washington, D. C., Capitol 4-3121, extension 4848, for further instructions.

JULY 28, 1958.

I made service of the within subpoena by personal service, the within-named Peter Licavoli at Detroit, Mich. (8th-floor lobby, Federal Building), at 10:45 a. m., on the 28th day of July 1958.

EDWARD M. JONES.

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Ben Harold, Mr. Chairman.

The CHAIRMAN. Mr. Harold, you do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. HAROLD. I do.

TESTIMONY OF BEN HAROLD

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. HAROLD. My name is Ben Harold; I reside in Detroit. I am general manager for Central Overall Supply Co.

The CHAIRMAN. Thank you very much. You waive counsel?

Mr. HAROLD. Yes; I do.

The CHAIRMAN. All right, Mr. Kennedy.

Mr. KENNEDY. How long have you been in the overall-supply business?

Mr. HAROLD. About 8 years.

Mr. KENNEDY. About 8 years?

Mr. HAROLD. Yes, sir.

Mr. KENNEDY. How long has your company been in existence?

Mr. HAROLD. The company has been in existence about 35 years.

Mr. KENNEDY. Has there been a situation since 1953, Mr. Harold, where you have lost a great number of accounts to a certain company in Detroit?

Mr. HAROLD. Yes; there has.

Mr. KENNEDY. Under rather unusual circumstances?

Mr. HAROLD. Well, we have been serving quite a number of accounts for a number of years, and it appeared that we had lost some of these accounts rather summarily without any previous notice of disapproval of our service by these customers.

Mr. KENNEDY. Did you lose these accounts to any one company?

Mr. HAROLD. Well, we lost a considerable number to Star Coverall Supply Co.

Mr. KENNEDY. That was the company that took these accounts; was it?

Mr. HAROLD. That is right.

Mr. KENNEDY. And some of these accounts had been with you for 10 or 15 years?

Mr. HAROLD. That is correct.

Mr. KENNEDY. What reason did the accounts give for changing over?

Mr. HAROLD. Well, there was actually no reason given for bad service, as I recall. It was just that management had decided to make a change in their supplier.

Mr. KENNEDY. Did you ever understand why they were changing over to Star Coverall?

Mr. HAROLD. No; we could not understand why. In some instances, I believe, we were told that, well, maybe a press job was not just right or something like that.

The CHAIRMAN. Maybe what?

Mr. HAROLD. Maybe part of the service, pressing a shirt or something like that, wasn't correct. Maybe that was the reason that they were quitting.

Mr. KENNEDY. Did that make any sense to you?

Mr. HAROLD. It did not make any sense to us because, in our type of business, just like in every type of business, I imagine there are certain times when things go wrong, where an order goes wrong, and it is certainly nothing that is a great catastrophe or which should warrant making that change, in my opinion.

The CHAIRMAN. Had you had any complaints where they indicated they were dissatisfied or unhappy about your service?

Mr. HAROLD. No; we had not.

The CHAIRMAN. So, this complaint about a little shirt being pressed wrong came afterward; that is, explanation afterward?

Mr. HAROLD. That is correct.

The CHAIRMAN. I see.

Mr. KENNEDY. Mr. Chairman, I would like to have Mr. Salinger testify as to what the records of Mr. Harold's company show as to the number of accounts that were lost and their value.

The CHAIRMAN. You have checked those records, have you?

Mr. SALINGER. I have, sir.

The CHAIRMAN. Of this company?

Mr. SALINGER. I have.

The CHAIRMAN. All right. You may make a statement about it.

Mr. SALINGER. This company, during the years late 1952, 1953, and into 1954—

Mr. KENNEDY. That was immediately after Star Coverall was formed; is that correct?

Mr. SALINGER. Correct. They lost a total of 75 accounts to the Star Coverall Co., the value of which was \$78,000 per year.

Mr. KENNEDY. What is the value over the period, then?

Mr. SALINGER. Well, assuming that the Central Coverall Co. had maintained these accounts over the period from then to now, or to the end of 1957, the value of this business is \$312,000.

The CHAIRMAN. Assuming that the business had not increased?

Mr. SALINGER. Assuming that the business had not increased.

Mr. KENNEDY. Did you ever get any further explanation as to why you lost these?

Mr. HAROLD. No, we did not.

Mr. KENNEDY. Did you ever discuss the matter with other coverall companies?

Mr. HAROLD. Well, we talked about it, and mentioned that we had been losing certain accounts, or a considerable number of accounts or volume of business to this one particular company.

I might say that we pick up and lose accounts every day. It is a common occurrence in the industry. But this particular time we seemed to be losing more to this one particular company than to others.

Mr. KENNEDY. Did anybody else have a theory, any of the other coverall companies?

Mr. HAROLD. Well, we knew the background of the management of Star.

The CHAIRMAN. What is that background?

Mr. HAROLD. The background of Mr. Meli, Vincent Meli, and his connection through his father, and we had suspected that perhaps there was something that was not quite, shall we say, regular in the way these accounts had been leaving us.

Mr. KENNEDY. Did you have some information indicating that, actual information as to the type, as to the kind of companies that were leaving you?

Mr. HAROLD. No, we had no definite information as to why they were leaving.

Mr. KENNEDY. What?

Mr. HAROLD. We had no definite information as to why they were leaving, other than just a statement by management that they thought now was the time for a change.

Mr. KENNEDY. You say that you knew something about the background of this company, and Angelo Meli; did you ever hear also that the company had a close association with the Teamsters Union?

Mr. HAROLD. No, we never heard that.

Mr. KENNEDY. Did you hear that anybody in the company had a close association with any of the individuals in the Teamsters Union?

Mr. HAROLD. No, not with the individuals.

Mr. KENNEDY. What about the automobile dealers? You did not hear anything about the Teamsters Union in regard to them?

Mr. HAROLD. Well, we had heard some references to the fact that one of the general agents of the Teamsters had been going out to

some of the stops with Mr. Lehr to visit accounts, and influencing them to switch over.

Mr. KENNEDY. Then you did hear that there was an association between certain officials of this company and the Teamsters Union?

Mr. HAROLD. Yes. In that respect, yes.

The CHAIRMAN. Do I understand that you understood that this Teamsters official went around to these places of business and changed these accounts from you to the other company?

Mr. HAROLD. Well, it did not happen with our accounts that we knew of, that Teamsters were involved with the change. We did hear that from other sources.

The CHAIRMAN. You did not hear that until afterward?

Mr. HAROLD. That is correct.

The CHAIRMAN. But you did not know it at the time. You did learn afterward?

Mr. HAROLD. That is right. Let me say that we did not know, we still do not know, that any of the accounts that left us left because of pressures of this particular individual of the Teamsters Union.

Mr. KENNEDY. But you did hear that a number of the automobile dealers had given up their accounts, had given their accounts to the Star Coverall Co. because of the pressures of the Teamsters?

Mr. HAROLD. That is true.

Mr. KENNEDY. So there are two theories that you had. One was the background of this company, with its gangster connections and the second was the information that you got regarding the connection with the Teamsters Union?

Mr. HAROLD. That is right.

Mr. KENNEDY. That is why your company and other companies were losing these accounts?

Mr. HAROLD. That was our theory, yes.

Mr. KENNEDY. Did you hear who this connection was with in the Teamsters Union?

Mr. HAROLD. Well, there were Mr. Kierdorf?

Mr. KENNEDY. Herman Kierdorf?

Mr. HAROLD. Herman Kierdorf. I don't remember the exact name.

Mr. KENNEDY. You heard he was the individual?

Mr. HAROLD. That is correct.

The CHAIRMAN. Are there any further questions?

If not, thank you very much.

Call the next witness.

Mr. KENNEDY. Mr. Yerkes.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. YERKES. I do.

TESTIMONY OF MALCOLM YERKES

The CHAIRMAN. State your name, your place of residence, and your business or occupation, please, sir?

Mr. YERKES. My name is Malcolm Yerkes. The name of my business is the Arrow Overall Supply at 411 East Seven Mile Road, Detroit.

The CHAIRMAN. You waive counsel, Mr. Yerkes?

Mr. YERKES. Yes, sir.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. You spell your name Y-e-r-k-e-s, is that right?

Mr. YERKES. Right.

Mr. KENNEDY. How long have you been in the overall supply business?

Mr. YERKES. About 21 years.

Mr. KENNEDY. Did you have an account at the Gib Bergstrom?

Could you tell us when you first heard about the Star Coverall Co.?

Mr. YERKES. Well, this isn't the first time I had heard of them. We had a call from the Gib Bergstrom account for service. Is that what you are referring to?

Mr. KENNEDY. Yes.

That is B-e-r-g-s-t-r-o-m?

Mr. YERKES. Yes.

Mr. KENNEDY. And the first name is Gib? G-i-b?

Mr. YERKES. Yes.

Mr. KENNEDY. They are now out of business?

Mr. YERKES. Yes, sir.

Mr. KENNEDY. What was their business?

Mr. YERKES. An automobile dealer in Detroit.

Mr. KENNEDY. Pontiacs?

Mr. YERKES. Pontiac dealer; yes, sir.

Mr. KENNEDY. You received a telephone call?

Mr. YERKES. Yes. We had a telephone call to give them service. Do you want me to proceed?

Mr. KENNEDY. Yes, please.

Mr. YERKES. So, the driver was sent to measure the men for uniforms?

Mr. KENNEDY. They had already had another service, had they?

Mr. YERKES. They had Star Overall giving service and they wanted to make a change. They were dissatisfied. And the driver was told that they had decided that they were not going to make a change at that time, they decided against it. So I sent another representative and he was told—

Mr. KENNEDY. Let me just go back a minute. This Pontiac Co. had had the Star Coverall Co. servicing their employees, is that right?

Mr. YERKES. Right.

Mr. KENNEDY. You received a call that they were dissatisfied with the service of Star Coverall?

Mr. YERKES. Yes, sir.

Mr. KENNEDY. And that they wanted to take on your company, is that right?

Mr. YERKES. Correct.

Mr. KENNEDY. So you sent somebody down to measure the employees, is that right?

Mr. YERKES. Yes, sir.

Mr. KENNEDY. When your representative got down to Gib Bergstrom, what was he told?

Mr. YERKES. He was told that the men had had a meeting and voted to have Arrow Overall supply them, but the union had had another meeting with the men and told them that they should not make a change.

Mr. KENNEDY. Do you mean the men, the employees themselves, had decided they wanted to go over with your company and then the union came in, a union representative came in, and told them they should not change, is that right?

Mr. YERKES. Correct.

Mr. KENNEDY. Did you understand who the union had made this approach by?

Mr. YERKES. Yes. Herman Kierdorf.

Mr. KENNEDY. K-i-e-r-d-o-r-f?

Mr. YERKES. Yes, sir.

Mr. KENNEDY. He is the business agent for the joint council 43?

Mr. YERKES. Yes; I understand so.

Mr. KENNEDY. Joint council 43, is that right?

Mr. YERKES. Well, I don't know the number, but he is a union agent.

Mr. KENNEDY. So what did you do then?

Mr. YERKES. I sent another representative to see what we could determine, get any more facts, and the representative was told substantially the same thing. So I called myself, and talked to the service manager. He gave me the same story that the other two people had been told.

Mr. KENNEDY. That because of the interference or interest of the union the company was not going to make a change?

Mr. YERKES. That is correct. The service manager did not feel that he wanted to get into any controversy with the union.

Mr. KENNEDY. Did you take any steps after that?

Mr. YERKES. No, sir.

Mr. KENNEDY. Did you get in touch with Mr. Kierdorf?

Mr. YERKES. Yes. I called Mr. Kierdorf.

Mr. KENNEDY. Did you ask him why he had interfered?

Mr. YERKES. Yes. I asked him if he would not desist, and he informed me that he was a very close friend of Angelo Meli, and he was going to do everything possible to help him.

Mr. KENNEDY. So what did you do after that, Mr. Yerkes? You had lost this account because of the interference of the union?

Mr. YERKES. I hadn't lost the account. It represented a case of interference.

Mr. KENNEDY. Or you missed getting the account?

Mr. YERKES. Yes, and I had a meeting with a small group of my competitors to see if we couldn't decide on some action to counteract this sort of thing. We thought perhaps a delegation should call on Mr. Hoffa.

Mr. KENNEDY. When did all of this take place?

Mr. YERKES. Well, it was in the fall of 1957, I believe.

Mr. KENNEDY. This is in October of 1957?

Mr. YERKES. I can refer to this letter here. It was October of 1957, yes, sir.

Mr. KENNEDY. Mr. Chairman, I might point out, it was after the hearing that we held here, and after Mr. Kierdorf appeared as a witness, that this was going on. Go ahead and tell us what happened then.

Mr. YERKES. So we thought possibly we should send a delegation to see Mr. Hoffa and explain this thing to him to see if some of it couldn't be stopped. It was the consensus that perhaps that wouldn't be effective, and that we should wait in the meantime—

Mr. KENNEDY. Did you decide to get in touch with Isaac Litwak?

Mr. YERKES. I wrote Litwak, and I was just trying to see if I had forgotten to mention anything. We decided to get in touch with Mr. Litwak, and I wrote him a letter, and had it delivered personally by messenger.

Mr. KENNEDY. He was president of the local 285?

Mr. YERKES. Yes, sir.

The CHAIRMAN. You say you wrote him a letter?

Mr. YERKES. Yes, sir.

The CHAIRMAN. Or did you just write him a memorandum?

Mr. YERKES. Well, perhaps you would call it a memorandum.

The CHAIRMAN. I hand you here what appears to be a memo.

Mr. YERKES. The copy was subpoenaed and you probably have it in front of you. It isn't addressed to anyone.

The CHAIRMAN. I hand you here a letter or a memorandum not addressed to anyone, but it appears to have been written by Arrow Overall Supply Co., Mr. Yerkes, and I hand you this photostatic copy and ask you if you can identify it, please?

(A document was handed to the witness.)

Mr. YERKES. It is unusual—that is the copy.

The CHAIRMAN. Is that a photostatic copy of what you are referring to as the letter you wrote him?

Mr. YERKES. Yes, sir.

The CHAIRMAN. It may be made exhibit No. 1.

(The document referred to was marked "Exhibit No. 1" for reference and may be found in the files of the select committee.)

Mr. YERKES. I must have been told to treat it in that manner, or I would have addressed it otherwise.

The CHAIRMAN. Someone must have suggested to you that you write it in that manner without addressing it to anyone.

Mr. YERKES. It was delivered by messenger.

The CHAIRMAN. To whom?

Mr. YERKES. Mr. Litwak's secretary.

The CHAIRMAN. It wasn't sent through the mail?

Mr. YERKES. No.

The CHAIRMAN. You had a messenger deliver it?

Mr. YERKES. One of our employees, yes, sir.

The CHAIRMAN. All right, Mr. Counsel, you may read the pertinent parts of the letter if you desire.

Mr. SALINGER. It is dated October 18, 1957.

Arrow Overall had the business in the Gib Bergstrom location for approximately 15 years or more, prior to the time Frank McLaughlin bought it from Harvey Mack. He brought Star Coverall in with him and when the business was sold some months ago to Gib Bergstrom, Star continued their service.

Most of the personnel with Gib Bergstrom remember and liked our service. Two weeks ago tonight they had a meeting and voted on laundry service as follows: 7 for Arrow Overall, 5 noncommittal, 1 for Star.

When our driver arrived Monday to measure the men, he was told that Mr. Kierdorf held a meeting with all the men and told them that Star should not be dispensed with but given another chance of at least 30 days to straighten out some of their complaints. The writer made a special trip and had these facts confirmed.

So I don't think any one would have difficulty in getting this substantiated further.

I talked to Mr. Kierdorf over the phone regarding this, and he informed me in no uncertain terms that Mr. Meli was a personal friend and he felt obliged to do them any favors that he could.

In addition to the above, the writer has been told on more than one occasion by another dealer that Star Overall has convinced him that they have kept the union out of his establishment and if ever he dispensed with their service they would be unionized. In this case, the men in the garage have indicated a preference for our service many times.

The writer has also been informed through an authentic source that certain organized dealerships have been told that if Star could have the overall business, the union would take this into consideration during negotiations on a new contract.

The unfairness of the actions indicated are obvious. Signed, Arrow Overall Supply Co., M. Yerkes.

The CHAIRMAN. In other words, this particular Star Co. were using the power of the union to direct business to this particular company, and these union officials were cooperating with them, is that correct?

Mr. YERKES. Yes, sir.

The CHAIRMAN. And the excuse given was that they were a friend of this gangster, what is his name, Angelo Meli?

Mr. YERKES. Yes, sir.

The CHAIRMAN. And therefore they were cooperating with him?

Mr. YERKES. Yes, sir.

The CHAIRMAN. The men were not permitted to have their way about what they wanted and neither was management, is that correct?

Mr. YERKES. That was the case in this instance.

The CHAIRMAN. In other words, "We will keep the union out but we are going to boss you, and if you don't let us boss you we will put a union in," and no telling what else they would do, is that correct?

Mr. YERKES. Yes, sir.

The CHAIRMAN. Is that the whole theme of it?

Mr. YERKES. Yes, sir.

The CHAIRMAN. All right, proceed.

Mr. KENNEDY. Mr. Chairman, I have a few more questions.

Did you hear anything from this memorandum, then?

Mr. YERKES. I never had an acknowledgment.

Mr. KENNEDY. Did you talk to Mr. Litwak?

Mr. YERKES. Yes; I believe I did.

Mr. KENNEDY. You had a conference with Mr. Litwak?

Mr. YERKES. Yes, sir.

Mr. KENNEDY. Isn't it a fact that he was very upset as to what had been going on?

Mr. YERKES. Litwak was upset, and I think he was.

Mr. KENNEDY. The president of the union, local 285, was very concerned as to what Mr. Kierdorf had been doing?

Mr. YERKES. Yes, sir.

Mr. KENNEDY. This is the same Mr. Litwak who was negotiating with the laundry owners back in 1949, and then the payment of a sum of money was made according to Mr. Miller's testimony, and Mr. Litwak then was forced to sign another contract. So Mr. Litwak would appear to have been having some difficulty with certain of the higher officials of the union.

Did Mr. Litwak suggest that you take any further steps about contacting Mr. Hoffa himself?

Mr. YERKES. Mr. Litwak suggested that I wire Mr. Hoffa.

Mr. KENNEDY. Did you do so?

Mr. YERKES. Yes, sir.

Mr. KENNEDY. Did he make some suggestions as to what you might put in the wire?

Mr. YERKES. Yes, sir.

The CHAIRMAN. I hand you here what purports to be a photostatic copy of a wire addressed to J. R. Hoffa, president of the joint council 23, and I will ask you to examine this wire, this photostatic copy, and state if you identify it as such.

(A document was handed to the witness.)

Mr. YERKES. Yes, that is a copy.

The CHAIRMAN. That is a copy of the wire you sent?

Mr. YERKES. Yes, sir.

The CHAIRMAN. You sent this, as I understand it, to Mr. Hoffa as president of the joint council out there, at the suggestion of the president of the local who was unhappy about the way they were operating?

Mr. YERKES. Yes, sir.

The CHAIRMAN. Because he felt that this kind of practice was wrong and he didn't like it?

Mr. YERKES. Yes, sir.

The CHAIRMAN. And he suggested you send a wire to Hoffa?

Mr. YERKES. It was his suggestion; yes, sir.

The CHAIRMAN. It was at his suggestion, and he helped you word the wire?

Mr. YERKES. Yes, sir.

The CHAIRMAN. That wire may be made exhibit No. 2, and you may read it into the record.

(Document referred to was marked "Exhibit No. 2" for reference, and may be found in the files of the select committee.)

Mr. SALINGER (reading) :

J. R. Hoffa, president, joint council 23, Trumbull Avenue. This is an official protest concerning Herman Kierdorf's Star Coverall by using his influence to prevent the recovery of business to the detriment of our company and drivers. Would have communicated with you before but due to your very important convention in Miami hesitated to bother you sooner. Congratulations on your election to general president.

(Signed) YERKES,
Arrow Overall Supply Co.

The CHAIRMAN. Is that wire dated? It doesn't appear to be. Do you have the original? I cannot determine the date of it.

Mr. YERKES. No, sir, I do not.

Mr. KENNEDY. It appears around October 17, Mr. Chairman. I believe it is October 17.

The CHAIRMAN. They have ascertained that it is October 17, 1957.

All right, proceed.

Mr. KENNEDY. Now, Mr. Yerkes, did you ever get a reply to that telegram?

Mr. YERKES. No, sir.

Mr. KENNEDY. Did you ever hear from Mr. Hoffa?

Mr. YERKES. No, sir.

Mr. KENNEDY. Did you learn that he had taken any disciplinary action against Mr. Kierdorf?

Mr. YERKES. No, sir.

Mr. KENNEDY. You never heard anything about it?

Mr. YERKES. No, sir.

Mr. KENNEDY. Now, Mr. Chairman, I would like to put these dates in. This is a very vital matter. It was just prior to this, within a month, that Mr. Kierdorf appeared before the committee and we

went into some of his background. He must have left here immediately, gone back to Detroit, and performed this service for this company, because he appeared here in the last week of September.

Of course, Mr. Hoffa had appeared here earlier and had gone back to Detroit, and obviously took no steps of disciplinary action against Mr. Kierdorf when these matters were brought to his attention by this employer, Mr. Yerkes. Now this is just to give the background. Mr. Kierdorf will be a witness, and we will have more testimony about him, but this is an extremely important point as to the background of Mr. Kierdorf and the fact that he was brought into the union under these circumstances by Mr. Hoffa.

As we developed the testimony at an earlier hearing, would you tell us about the background of Mr. Kierdorf?

The CHAIRMAN. Just so we can understand exactly what we are doing. I am sure you understand it, but for the record and so those who read may know exactly what is involved.

Mr. SALINGER. Herman Kierdorf resides at 29068 Spoon Avenue, Madison Heights, Mich. He has been convicted of felonies. In 1932 he received a 16 months' sentence at the United States Penitentiary at Leavenworth, Kans., for impersonating a Government officer. In 1942 he was convicted of armed robbery in Ohio, and was sentenced to the Ohio State Penitentiary at Columbus, Ohio, for a period of from 10 to 25 years. He was paroled on October 2, 1948, into custody of Detroit police officers who held him on a charge of armed robbery in Detroit. This charge, however, was dismissed on April 5, 1949, when the prosecuting witness could no longer be found.

Mr. Kierdorf came out of the penitentiary, according to his own testimony, and went to work for Mr. Hoffa within a matter of a month after he got out of the penitentiary. He was an organizer for joint council 43 in Detroit, Mich.

The CHAIRMAN. When did he start work? Does his record show when he started working for Mr. Hoffa?

Mr. SALINGER. I don't believe I have that record available, but I know he testified here that he went to see Mr. Hoffa after he came back, and Mr. Hoffa put him to work about a month later.

The CHAIRMAN. What year did he get out of the pen?

Mr. SALINGER. He was paroled on October 25, 1948, and he has worked for the Teamsters since that time.

Mr. KENNEDY. And he appeared before the committee here on September 24, 1957, and this incident occurred within a month of that time, after he appeared here as a witness.

Now, after that, in conversations with any of the other overall people or owners, did you learn that any of the others had these same kind of problems and difficulties?

Mr. YERKES. Yes; there was considerable discussion within the industry.

Mr. KENNEDY. About the pressure being applied by the union?

Mr. YERKES. Yes, sir.

Mr. KENNEDY. Can you give us some examples, for instance, Dick Haigh?

Mr. YERKES. Well, that was a personal experience. He is now out of business, incidentally.

Mr. KENNEDY. He was a Pontiac dealer?

Mr. YERKES. Yes; and he informed me on two occasions, and also told substantially the same thing to one of my representatives that Star Coverall were keeping the union out of his establishment and he would like to give me the business, and the men favored us, but he would prefer under the circumstances—or he thought under the circumstances—it would be very unwise for him to make a change.

The CHAIRMAN. How many times did you encounter that situation among your customers, and your prospective accounts?

Mr. YERKES. Well, I believe, Senator, that is the only time I was told.

Mr. KENNEDY. What about Bill Root? What company was he with?

Mr. YERKES. That is Bill Root's Chevrolet, is the name of his establishment, in the suburbs of Detroit.

Mr. KENNEDY. What did he tell you?

Mr. YERKES. He told me, or he wanted to know who Herman Kierdorf was, and he said he had an extended strike at his establishment and it ran for several months, as I remember, and he told me that the Star Coverall had told him that they could straighten out his strike if he would give the coverall business to Star Coverall Supply.

Mr. KENNEDY. You heard this on a number of different occasions?

Mr. YERKES. Yes, sir.

Mr. KENNEDY. There was some discussion about this situation in your business, was there not, out there?

Mr. YERKES. Yes.

Mr. KENNEDY. In the industry?

Mr. YERKES. I had heard of other instances but it was just hearsay and didn't relate to me personally, and so it was just third-hand observations people made.

The CHAIRMAN. There was talk about it during that time?

Mr. YERKES. Yes, throughout the industry.

The CHAIRMAN. And people were concerned about it?

Mr. YERKES. Very much, sir.

The CHAIRMAN. And discussed it among yourselves, and you got together about your problem, and it was a common problem?

Mr. YERKES. Pretty much, yes.

The CHAIRMAN. With respect particularly to this Star Co. that was moving in and the union was out high-pressuring and coercing business for them?

Mr. YERKES. That is right.

Mr. KENNEDY. Did you also hear some conversation about the Jefferson Chevrolet Co.?

Mr. YERKES. Yes, sir.

Mr. KENNEDY. Would you tell us what you heard about that?

Mr. YERKES. I understand that Jefferson Chevrolet were prevailed upon by Mr. Kierdorf and Mr. Lehr, of Star Coverall Co., to make a change in their supply, but the business wasn't given to Star and it was given to another company.

Mr. KENNEDY. What was the name of the other company?

Mr. YERKES. Michigan Industrial Laundry.

Mr. KENNEDY. Is that the company of Mr. Lu Gailex?

Mr. YERKES. Yes, sir.

Mr. KENNEDY. I think that that is all.

The CHAIRMAN. Are there any questions?

Thank you very much.

Mr. Miller, counsel would like for you to return to the stand for a moment.

TESTIMONY OF IRVIN PAUL MILLER—Resumed

Mr. KENNEDY. There is just one matter that I forgot to mention with Mr. Miller, or to ask him about. Did you receive any threats, Mr. Miller, prior to coming down here to testify?

Mr. MILLER. Two.

Mr. KENNEDY. You received two threats?

Mr. MILLER. Two phone calls.

Mr. KENNEDY. Would you tell us when they occurred?

Mr. MILLER. One was on the 3d of July, and one was on the 8th, and the voice I didn't recognize. I was told that when I went to Washington to be very careful whose name I mentioned or who I incriminated.

Mr. KENNEDY. You were told that on both occasions?

Mr. MILLER. Yes, sir.

Mr. KENNEDY. Could you tell us when the telephone calls occurred?

Mr. MILLER. One was in the evening and one was in the afternoon.

Mr. KENNEDY. One was to your home?

Mr. MILLER. That is right.

Mr. KENNEDY. Under what circumstances, can you tell us the whole conversation?

Mr. MILLER. We had just come in and we had been out visiting. We just came in, and, of course, the boys went to bed, and my wife was in the bathroom, and I walked into the kitchen to pour a cup of coffee when the phone rang. In fact, until right this minute, my wife never knew that I got this call. There was no sense, and I didn't believe in scaring her.

Mr. KENNEDY. What was said?

Mr. MILLER. First he started out that he had been trying to get me all evening and the way he started out I didn't recognize the voice. but it seemed like it might be someone who knew me very well. I said, "Well, we have been out visiting and we stopped to see some friends, and we just got home."

So then he got serious, and he said, "Well, when you go to Washington you should be very careful whose name you mention or who you incriminate."

Mr. KENNEDY. Was it the same voice that called you the second time?

Mr. MILLER. No, sir; it was two different voices.

Mr. KENNEDY. Was the second call at your home?

Mr. MILLER. Yes, sir.

Mr. KENNEDY. What did they say then?

Mr. MILLER. He told me practically the same thing, to be very careful whose name I mentioned and who I incriminated, and Mr. Salinger called me shortly after that, and I didn't think anymore about it. In fact I never mentioned it to him then and I think that I called him back and told him later on. I got to thinking about it, and I thought perhaps I should tell him. He was the man I was talking to.

Mr. KENNEDY. You mentioned Mr. Licavoli, and Meli's name, and Mr. Bommarito's name, and evidently this didn't frighten you?

Mr. MILLER. Well, we have to go sometime.

The CHAIRMAN. Well, it takes that kind of courage to fight these crooks and murderers.

Mr. MILLER. The only thing I don't want my wife and children involved.

The CHAIRMAN. You will remain under your present subpoena subject to being recalled at any time that the committee may desire to interrogate you further, and with that understanding it will not be necessary to resubpena you at this time.

Any effort to intimidate or threaten you in any way, I wish you would report it to this committee immediately, and to the limit of our power and authority we will act upon it and try to get cooperation from other sources where they have more authority in that direction than we have.

You are to be commended highly. The American people applaud you for doing what you have done this morning, to come here and tell us the truth and help us to find out where these rats, what holes they are in, and expose them.

Thank you.

The committee will stand in recess until 2 o'clock.

(Whereupon, at 12:10 p. m., the committee recessed, to reconvene at 2 p. m. the same day.)

AFTERNOON SESSION

(At this point, the following members were present: Senators McClellan, Ives, and Curtis.)

The CHAIRMAN. The committee will come to order. The next witness is Mr. Joseph Warren. Come forward, please, sir. Be sworn. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. WARREN. I do.

TESTIMONY OF JOSEPH WARREN

The CHAIRMAN. State your name, your place of residence, and your business or occupation, please, sir.

Mr. WARREN. My name is Joseph Warren. I live at Oxford, Mich. I work for the Pontiac Retail Stores.

The CHAIRMAN. You waive counsel, do you, Mr. Warren?

Mr. WARREN. Yes; I do.

The CHAIRMAN. All right, Mr. Kennedy.

Mr. KENNEDY. Mr. Warren, as an automobile mechanic, you are presently working for the Pontiac Retail Stores, Pontiac, Mich.?

Mr. WARREN. That is right.

Mr. KENNEDY. From 1953 to 1958, you worked for other Pontiac dealers; is that right?

Mr. WARREN. That is right.

Mr. KENNEDY. You were working for the Harvey Mack Pontiac Co.?

Mr. WARREN. Yes, sir.

Mr. KENNEDY. It was purchased by Frank McLaughlin and renamed the Chief Pontiac Co.?

Mr. WARREN. Yes, sir.

Mr. KENNEDY. And later became known as Gib Bergstrom?

Mr. WARREN. Yes, sir.

Mr. KENNEDY. The Gib Bergstrom Pontiac Co.?

Mr. WARREN. Yes, sir.

Mr. KENNEDY. Mr. Chairman, that is the company we had testimony about from the last witnesses this morning, the Gib Bergstrom Pontiac Co., which formerly had these other names. At the time we are interested in, it had the name of Gib Bergstrom.

In December of 1955, did Local 376 of the Teamsters Union win an election?

Mr. WARREN. Yes, sir.

Mr. KENNEDY. Is that right?

Mr. WARREN. That is right.

Mr. KENNEDY. And the Teamster local became the bargaining agent for the mechanics?

Mr. WARREN. Yes, sir.

Mr. KENNEDY. That was known as the Chief Pontiac Co. at that time?

Mr. WARREN. At that time, yes.

Mr. KENNEDY. At that time, were you named shop steward?

Mr. WARREN. Not at that particular time. I was named later.

Mr. KENNEDY. Within a short time?

Mr. WARREN. Yes, sir.

Mr. KENNEDY. During this period of time, had you been attempting to get a contract signed with Frank McLaughlin?

Mr. WARREN. Yes, sir, from the time of the election.

Mr. KENNEDY. Had that been unsuccessful?

Mr. WARREN. Yes, very much so.

Mr. KENNEDY. He refused to sign a contract, although you were the bargaining agent; is that right?

Mr. WARREN. That is right.

Mr. KENNEDY. This dragged out for a period of about 15 months?

Mr. WARREN. Just about that; yes.

Mr. KENNEDY. What steps then were taken?

Mr. WARREN. Well, when it got to the point that—I should say it did get to the point where he refused to even—

Mr. KENNEDY. Would you speak up a little louder?

Mr. WARREN. Refused to even discuss the contract. We met before the labor board, and he still refused to discuss it.

At that time, the local 376 put up a picket line around the shop, and the mechanics and workmen walked out.

Mr. KENNEDY. Had the employees voted to go out on strike?

Mr. WARREN. No, sir.

Mr. KENNEDY. The Teamsters Union officials decided they would put the picket line up; is that right?

Mr. WARREN. Yes, sir.

Mr. KENNEDY. They placed the picket line, and you refused to go to work; is that right?

Mr. WARREN. That is right; refused to cross the picket line.

The CHAIRMAN. May I ask at that point, were you consulted, you who did the work, were you consulted about whether you wanted to strike or not?

Mr. WARREN. No, sir. I was informed of it, and I was told to inform the men that there would be a picket line at such and such a time, and that, as good union members, they should refuse to work behind the picket line.

Mr. KENNEDY. Was that picket line called off?

Mr. WARREN. Yes.

Mr. KENNEDY. How long did it last?

Mr. WARREN. Two days, I believe. And Mr. Petroff told me that he had been contacted by, I believe it was, Joe Lehr, of the Star Coverall Co., and the business agent of the Restaurant Workers Union.

Mr. KENNEDY. That was Joe Lehr, of the Star Coverall Supply Co.; is that right?

Mr. WARREN. Yes, sir. They had asked him and Kierdorf to meet them for lunch to discuss the situation there. That afternoon, Mr. Petroff told me that the picket line would be pulled off; that Mr. Lehr and Mr. Davis, I believe his name was, would intercede in our behalf with Frank McLaughlin and see that we got a contract, providing we would go back to work. The meeting was set up for—

Mr. KENNEDY. So, you were all ordered back to work then?

Mr. WARREN. Yes. They removed the picket line and we all went back to work.

Mr. KENNEDY. Were the employees consulted about that?

Mr. WARREN. No.

Mr. KENNEDY. They were just told to go back to work?

Mr. WARREN. They were just informed to go back.

Mr. KENNEDY. What did Joe Lehr have to do with this?

Mr. WARREN. Well, as I understood it, he was a personal friend of Frank McLaughlin, Jr.

Mr. KENNEDY. Who ran the company or who owned the company; is that right?

Mr. WARREN. That is right.

Mr. KENNEDY. Why was he meeting and consulting with the union officials about you going back to work?

Mr. WARREN. I don't know. I assume that McLaughlin had contacted him and asked for help, or asked him to intercede. I don't know.

Mr. KENNEDY. But it was after the luncheon between Petroff, Kierdorf, and Lehr that you were ordered to go back to work; is that right?

Mr. WARREN. That is right.

Mr. KENNEDY. And you were told then that there would be an arrangement made for Mr. McLaughlin to sign the contract?

Mr. WARREN. Yes, sir.

Mr. KENNEDY. How much time was he given to sign the contract? Did he ever sign the contract?

Mr. WARREN. Yes; he did.

Mr. KENNEDY. When was that?

Mr. WARREN. It became effective in February, I believe, of 1957—February or March.

Mr. KENNEDY. Was that an actual contract, or was it just a recognition agreement?

Mr. WARREN. Well, it was a recognition agreement with provision for the company to pay health and welfare.

Mr. KENNEDY. Was it what you wanted when you went out on strike?

Mr. WARREN. No, sir.

Mr. KENNEDY. Was it what you were after?

Mr. WARREN. No, sir; it wasn't.

Mr. KENNEDY. Why was this recognition agreement signed instead of a contract?

Mr. WARREN. Well, it seems that was all we asked for.

Mr. KENNEDY. Weren't you asking for more?

Mr. WARREN. The men wanted more, but Mr. Petroff thought they should not push too hard at that particular time—he said—and we settled for that, with the 60-day reopening clause.

Mr. KENNEDY. They received a sweetheart arrangement, did they not—the company?

Mr. WARREN. I suppose you could call it that. I don't know.

Mr. KENNEDY. You did not get any improvement in wages, hours, or conditions other than the health and welfare, did you?

Mr. WARREN. No, sir.

Mr. KENNEDY. And you were trying to get those things at the time?

Mr. WARREN. Yes; we were.

Mr. KENNEDY. Was there any arrangement made, for instance, on vacations?

Mr. WARREN. No, sir.

Mr. KENNEDY. None of those things were included?

Mr. WARREN. Nothing.

Mr. KENNEDY. Did the company, McLaughlin, say that this would be reopened at a later time; that there would be some discussion of wages and hours?

Mr. WARREN. Yes. He agreed to reopen negotiations in 60 days.

Mr. KENNEDY. Was that ever done?

Mr. WARREN. No, sir. He sold the company just before the reopening date.

Mr. KENNEDY. To whom did he sell the company?

Mr. WARREN. To Gib Bergstrom.

Mr. KENNEDY. Gib Bergstrom?

Mr. WARREN. To Gib Bergstrom.

Mr. KENNEDY. At that time, did you sign a contract with Gib Bergstrom giving you wages and hours?

Mr. WARREN. Well, before Gib Bergstrom would buy the contract, I mean buy the business, he had a meeting with Mr. Kierdorf and Mr. Petroff, and got from them a tentative agreement that we would not discuss any economic matters for 6 months. With that provision, then, he took over the contract as it existed.

(At this point, Senator Church entered the hearing room.)

Mr. KENNEDY. Could you tell us what happened after that, in 1957?

Mr. WARREN. Well, at the end of the 6-month period, we met with Gib Bergstrom, and all we gained from that was a provision for overtime pay for all hourly rated employees, for all over 45 hours per week.

Mr. KENNEDY. Even at that rate, at that late time, you didn't get everything you wanted; is that right?

Mr. WARREN. That is right.

Mr. KENNEDY. At that time, or during this period, were you being serviced by the Star Overall Co.?

Mr. WARREN. From the time Frank McLaughlin took over, we were.

Mr. KENNEDY. During this whole period of time that we are talking about; is that right?

Mr. WARREN. That is right.

Mr. KENNEDY. Was there any feeling of inadequacy on the part of the employees with the Star Coverall Co.?

Mr. WARREN. Well, yes; there was, because the overall company did not give us new uniforms for—well, it was more than a year. And, with Arrow, we had been getting uniform changes every 6 months and good service; whereas, with Star, we were getting poor service and still wearing the same uniforms we had been wearing for more than a year. The men were quite dissatisfied and, consequently, I went around and took a vote from all the men as to whether to continue with Star or change back to Arrow.

Mr. KENNEDY. Did you have a vote amongst the employees?

Mr. WARREN. Yes; we did. They voted in favor of Arrow.

The CHAIRMAN. How did you conduct the vote?

Mr. WARREN. I went to each man, personally.

The CHAIRMAN. How many men were there?

Mr. WARREN. I am not sure, but I think there would have been about 22 or 23 at that time.

The CHAIRMAN. Did you contact each one of them?

Mr. WARREN. Yes, sir; I did.

The CHAIRMAN. Did any of them refuse to vote, so far as you know?

Mr. WARREN. Well, a few of them said it made no difference to them whether we kept Star or changed.

The CHAIRMAN. So, you did not count them either way?

Mr. WARREN. No, sir.

The CHAIRMAN. How did you do it; by petition or something that they would sign?

Mr. WARREN. No, sir; I just took a piece of paper and went around and asked each man what his desire was on the subject, and either he put his name down or he did not put it down.

The CHAIRMAN. I hand you here a photostatic copy of a document of some kind. I wish you would examine it and tell me if you know what it is.

(The document was handed to the witness.)

Mr. WARREN. Yes, sir, that is the copy of the paper that I had.

The CHAIRMAN. How many voted for Arrow and how many voted for Star?

Mr. WARREN. I believe it is 13 for Arrow, one for Star, and 6 with no preference.

The CHAIRMAN. You indicated the number with no preference?

Mr. WARREN. Yes, I did.

The CHAIRMAN. The 13 that signed for Arrow constituted a majority of the workers?

Mr. WARREN. That is right, sir.

The CHAIRMAN. With only one dissenting vote. The other six took a position that either way was all right with them.

Mr. WARREN. Yes, sir.

The CHAIRMAN. That petition may be made exhibit No. 3.

(The document referred to was marked "Exhibit No. 3" for reference and may be found in the files of the select committee.)

The CHAIRMAN. After you had that vote, what did you do?

MR. WARREN. Well, nothing happened for a couple of days.

The CHAIRMAN. What did you do with this?

MR. WARREN. What did I do with that? I turned it into the service manager.

The CHAIRMAN. To who?

MR. WARREN. To the service manager. And told him that we would like to go back to Arrow.

He said he would handle it.

The CHAIRMAN. You had no particular choice as to who did the work, just so you got the service; did you?

MR. WARREN. That is all we were interested in.

The CHAIRMAN. You had no interest in who owned Star or who owned Arrow?

MR. WARREN. I didn't even know for sure who owned Star or who owned Arrow. I knew Mr. Lehr was connected with Star, but for Arrow, I didn't know. I just knew we had gotten real good service from Arrow and we had not from Star, and we were paying the same money. I didn't see why we should accept inferior service and clothes for the same money.

The CHAIRMAN. This problem all originated with the men themselves, I mean this program?

MR. WARREN. That is right.

The CHAIRMAN. It wasn't Arrow Co. employees or representatives around agitating?

MR. WARREN. No, sir. Originally it was strictly within the men themselves.

The CHAIRMAN. It was strictly their own idea because they felt they were not getting service that they were entitled to, and were not getting comparable service to what they had been having?

MR. WARREN. That is correct, sir.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. This may have been covered when I was unable to be here this morning, so your answer, I hope, can be rather brief. Who pays the cost of providing uniforms and laundering them?

Just how does it work?

Just answer that briefly.

MR. WARREN. Well, at our place at least, the company paid half and the employee paid half.

Senator CURTIS. So the employees were interested because of half of the cost?

MR. WARREN. That is correct.

Senator CURTIS. How was it handled, the company paid the whole bill and charged half of it, or deducted it from your pay?

MR. WARREN. As far as I know, the company paid the whole bill; yes; because it was deducted from our checks each week.

Senator CURTIS. And the workers' interest, then, was twofold. It was costing them money for part of it——

MR. WARREN. Correct.

Senator CURTIS. And the other matter in which they were interested in was whether or not they had good uniforms and good service, and occasionally new ones?

MR. WARREN. That is right, sir.

Senator CURTIS. That is all, Mr. Chairman.

Mr. KENNEDY. Did you in fact change over then to the Arrow?

Mr. WARREN. No, sir; we did not.

Mr. KENNEDY. What happened?

Mr. WARREN. Well, Mr. Lehr and Mr. Kierdorf came over.

Mr. KENNEDY. Who is Mr. Kierdorf?

Mr. WARREN. He is the business agent for local 376.

Mr. KENNEDY. Of the Teamsters?

Mr. WARREN. That was our local, yes, sir.

The CHAIRMAN. Is that your local?

Mr. WARREN. That is, sir, yes, sir. They came over and asked me about it and what was going on and why, and I explained to them that we were not getting the service we thought we should have and, consequently, we wanted to change laundry companies. Mr. Kierdorf did most of the talking. He told me that Mr. Lehr had been a good union member for a number of years, and that he would like us to continue with Star; that Star was a new company, just coming up, and that Arrow was a big company, well established; and would appreciate us considering staying on with Star. Mr. Lehr wanted to know specifically what was the complaint and why we wanted to change.

Mr. KENNEDY. Why was it the interest of a union official as to what coverall company you should have?

Mr. WARREN. I have no idea, sir.

Mr. KENNEDY. Did you think that this was a questionable activity on the part of Mr. Kierdorf at the time?

Mr. WARREN. Yes, I did. I didn't see where it was any of his concern one way or the other, because he was supposed to be representing the men and not the laundry company, to me.

In fact, it seemed to me that if he was going to show preference, he should want us to get the most for our money, being one of our business agents.

Mr. KENNEDY. When he spoke to you then, did you change to Arrow or did you keep Star?

Mr. WARREN. Well, we kept Star. They asked me to recheck with the men and see if they would continue with Star providing Star would give us new clothes immediately and guarantee good service, such as replacing missing buttons and whatnot. In other words, if they would give us as good service as we could expect from someone else, would we continue on with Star.

So I took a survey of the men. I did not make any record of that one. They were all agreeable to the fact that—well, we liked the driver for Star. He was just a nice guy. He helped us out as much as he could.

So the men were all agreeable to sticking with Star, provided we could get the service we thought we should have.

Mr. KENNEDY. Would you have stuck with Star if it had not been for the interest and interference of Kierdorf?

Mr. WARREN. Well, I doubt it because as far as we were concerned, our minds were already made up, that we were going to switch to Arrow because—well, it did not do us any good to complain about the service of Star. It continued the same.

Mr. KENNEDY. It was only on the intercession then of Kierdorf that you retained Star, is that right?

Mr. WARREN. That is right. When he promised all we could get from another laundry company, we just stuck with them.

Mr. KENNEDY. Did you understand that Kierdorf and Lehr were very close?

Mr. WARREN. Will, I did get the impression that they were pretty good friends because—well, his name came up frequently. As I said, he sat in on meetings with McLaughlin.

At one time, Kierdorf made a remark, as he lit up a cigar, that Lehr was smoking better cigars these days, or something to that effect.

Mr. KENNEDY. The point was made that Mr. Kierdorf was a business agent for local 376. Although he received some of his expenses from local 376, actually he is on the payroll of joint council 43.

So he works directly under Mr. Hoffa.

Mr. WARREN. The reason I assumed he was the business agent, I guess, was that he sat in on all of our negotiations.

Mr. KENNEDY. That is correct. He is loaned out and has been loaned out to local 376 in this organizational drive. That is how he gets involved in these matters. But actually he is on the payroll of the joint council, under the supervision and control of Mr. James Hoffa.

Mr. WARREN. Yes, sir.

Mr. KENNEDY. So it was the intercession on two different occasions early in 1957, the intercession by Mr. Lehr, with the friendship of Mr. Kierdorf, that brought about the settling of a strike, initially, and the signing of a recognition agreement which was nothing more than a sweetheart contract, that was the first thing in early 1957—

Mr. WARREN. Yes, sir.

Mr. KENNEDY. And the second was the interference by Mr. Kierdorf in the overall contract in late 1957, of having you stay with Star Coverall rather than change to Arrow Coverall as the employees wished to have.

Mr. WARREN. Yes, sir.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. In what way, if any, did management of your employing company take part in determining who had the uniform contract and the laundry?

Mr. WARREN. Well, I don't know. Up until we got the union in, of course, I presume that the company decided strictly on their own as to what laundry company to deal with.

Senator CURTIS. Who did they have then?

Mr. WARREN. We had Arrow.

Senator CURTIS. That was the more satisfactory one?

Mr. WARREN. Yes, sir; it was.

Senator CURTIS. Did management get into the controversy over keeping Star?

Mr. WARREN. No, sir.

Senator CURTIS. Who do you think was responsible for getting started there in the first place?

Mr. WARREN. Frank McLaughlin, Jr.

Senator CURTIS. Who was he?

Mr. WARREN. He was the man who brought out Harvey Mack, when it became Chief Pontiac. He brought Star in with him. We had no voice in the matter whatsoever.

Senator CURTIS. He came in with another company?

Mr. WARREN. Yes, sir.

Senator CURTIS. And started out with Star?

Mr. WARREN. Yes, sir.

Senator CURTIS. Did management protest when you wanted to get rid of Star?

Mr. WARREN. No, sir. By that time the place had changed hands again and Mr. Bergstrom did not seem to mind as long as the money was the same.

Senator CURTIS. And so far as you know, the cost would be substantially the same to the company in either place?

Mr. WARREN. Yes, sir.

It did not change when we switched from Arrow to Star.

Senator CURTIS. That is all, Mr. Chairman.

Mr. KENNEDY. Mr. Chairman, we have the recognition agreement here which we have been discussing. I would like to have that made an exhibit.

The CHAIRMAN. Would you recognize a copy of this recognition agreement that you refer to?

Mr. KENNEDY. Yes, sir.

The CHAIRMAN. I present to you what purports to be a copy of it and ask you to examine it and state if you identify it as such.

(The document was handed to the witness.)

Mr. WARREN. Yes, sir; it is.

The CHAIRMAN. It may be made exhibit No. 4.

(The document referred to was marked "Exhibit No. 4" for reference, and may be found in the files of the select committee.)

The CHAIRMAN. Exhibit 4 is for reference.

Mr. KENNEDY. Mr. Chairman, we have here an affidavit from Mr. McLaughlin.

The CHAIRMAN. This affidavit, without objection, may be made exhibit No. 5.

(The document referred to was marked "Exhibit No. 5" for reference and may be found in the files of the select committee.)

The CHAIRMAN. Counsel, you may read the pertinent excerpts.

Mr. SALINGER (reading):

In December 1955, local 376 of the Teamsters Union won an election held to determine whether or not they were the bargaining agents for my mechanics at the Chief Pontiac Co. From that time until early 1957 I negotiated intermittently with the union group without arriving at a contract. At that time, my mechanics walked off the job and pickets appeared representing local 376 of the Teamsters Union. The day that the pickets appeared was a Friday and they marched in front of my establishment during the morning and for a short period after lunch and then they went away.

The mechanics returned to work on Saturday. On Monday the mechanics appeared for work at 8 a. m., worked until 10 a. m., when they walked off the job again and the pickets remained until lunch time.

The pickets did not come back after lunch that day. The men returned to work on Tuesday morning at 8 o'clock, and walked off the job again at 10 o'clock when the pickets reappeared. Either on Monday or Tuesday I received a telephone call from a man named Joseph Lehr, with whom I had no previous acquaintance. Lehr identified himself as "King Lehr" and said he was Vince Meli's partner in the Star Coverall Supply Co. Mr. Lehr told me he had heard through one of his drivers that we were having union problems. He said he knew the fellows down at the union and thought he could help us and I told him to go ahead and try.

He subsequently called back and said that the problem could be solved if the Chief Pontiac Co. would sign a recognition contract with the union. My attorney,

Mr. William Coughlin, and I already had agreed between ourselves that we would sign a recognition agreement if necessary, so I told Mr. Lehr that this proposal was acceptable. At the time of this call, we set a meeting for a few days later. A little while before the appointed meeting time, Mr. Lehr came to my office and introduced himself. We chatted for about 10 minutes, following which Herman Kierdorf and Eddie Petroff of the Teamsters Union and two union stewards, Joseph Warren and George Duldulao, as well as a fifth man who had a union connection which I cannot recall, arrived in my office.

After some exchange of conversation, Lehr left my office. The recognition agreement was given to me at that time and whether I signed it then or after my attorney looked it over, I cannot presently recall.

The CHAIRMAN. Let me ask you about those pickets.

Were they employees there in that garage?

Mr. WARREN. No, sir.

The CHAIRMAN. They were outsiders?

Mr. WARREN. Yes, sir.

They were business agents of 376.

The CHAIRMAN. Were they strangers to you?

Mr. WARREN. No, sir.

Well, of course, Mr. Kierdorf was there, Mr. Petroff, Wilfred Mott, and another man that I did not know, Eddie someone. I don't know what his last name was.

The CHAIRMAN. Did any of the employees in this shop picket?

Mr. WARREN. No, sir.

Mr. KENNEDY. Are you with the Teamsters at the present time?

Mr. WARREN. No; I am not. I am with the UAW.

The CHAIRMAN. I did not understand the last question. You are not any longer a union member?

Mr. WARREN. No, sir.

I am employed by the Pontiac retail store which is covered by the UAW.

The CHAIRMAN. You are now a UAW member?

Mr. WARREN. Yes, sir.

The CHAIRMAN. Are there any questions?

If not, thank you. Call the next witness.

Mr. KENNEDY. Mr. Allan Rosenberg.

The CHAIRMAN. Be sworn, please. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. ROSENBERG. Yes, sir.

TESTIMONY OF ALLAN ROSENBERG

The CHAIRMAN. Will you state your name, your place of residence, and your business or occupation?

Mr. ROSENBERG. My name is Allan Rosenberg. I live at Oak Park, Mich. I am a partner in Auto City Coverall Supply, Detroit.

The CHAIRMAN. You are a partner in what?

Mr. ROSENBERG. The Auto City Coverall Supply Co.

The CHAIRMAN. Do you waive counsel, Mr. Rosenberg?

Mr. ROSENBERG. Yes.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. This company of yours was formed in 1952; is that right?

Mr. ROSENBERG. Yes.

Mr. KENNEDY. Your father, who is now deceased, was for many years the owner of the Jefferson Linen Supply Co.; is that right?

Mr. ROSENBERG. Right.

Mr. KENNEDY. That is in Detroit, Mich.?

Mr. ROSENBERG. Yes.

Mr. KENNEDY. When the Star Coverall Supply Co. was first going into business, did you meet Mr. Joe Lehr?

Mr. ROSENBERG. Yes; I did.

Mr. KENNEDY. Did you have any conversations with him at that time?

Mr. ROSENBERG. Well, I——

Mr. KENNEDY. You had conversations with him a number of different times?

Mr. ROSENBERG. Yes. Joe Lehr worked for my father before he went into the coverall business for himself.

Mr. KENNEDY. Did he speak to you at all about the backing that the new company, the Star Coverall, was receiving?

Mr. ROSENBERG. As far as names go, no.

Mr. KENNEDY. Well, what did he say to you?

Mr. ROSENBERG. He just said that he should have went in the linen business instead of the coverall business.

Mr. KENNEDY. Did he mention any particular linen business that he should have been in rather than the coverall business?

Mr. ROSENBERG. No; he did not mention the name.

Mr. KENNEDY. Did he mention anything about the Melrose Linen Co.?

Mr. ROSENBERG. No; he did not mention it.

Mr. KENNEDY. Did you see any of the backers of the Star Coverall in their office? People that you understood were the backers of the Star Coverall Co.?

Mr. ROSENBERG. I saw relatives, but whether they were backers or not, I did not know.

Mr. KENNEDY. Who did you see in the Star Coverall office? Who were some of the people?

Mr. ROSENBERG. Vincent's father, father-in-law, and cousin.

Mr. KENNEDY. Who were they?

Mr. ROSENBERG. The father-in-law, I believe, is Santo Perrone.

Mr. KENNEDY. Santo Perrone?

Mr. ROSENBERG. Yes. And Angelo Meli, I believe, his father. It was right when they first went in.

Mr. KENNEDY. And you saw his cousin, Vincent Meli?

Mr. ROSENBERG. Yes.

Mr. KENNEDY. Did you understand from the conversations that you had with Mr. Lehr, that these were some of the individuals which were backing the Star Coverall Co.?

Mr. ROSENBERG. No, not backing, no.

Mr. KENNEDY. Well, what did you understand they had to do with the Star Coverall Co.?

Mr. ROSENBERG. Just helping get business. But as far as backing them, I know that——

Mr. KENNEDY. They were just helping them get business?

Mr. ROSENBERG. They were equal partners.

Mr. KENNEDY. You understand that Santo Perrone and Angelo Meli were helping Star Coverall get business from the conversations?

Mr. ROSENBERG. Well, would get them a stop here and there; yes.

Mr. KENNEDY. We have a little bit of background of Santo Perrone, Mr. Salinger?

Mr. SALINGER. Santo Perrone was born in Alcamo, Sicily, in 1895.

He has three children; his daughter, Pauline Perrone, is married to Vincent Meli.

He was admitted to United States citizenship in Wayne County, Mich., on November 13, 1924. He came to the United States in 1915 and immediately went to Detroit, Mich., where, according to the information we have, he went to work for the Detroit Stove Works as a core-maker, along with his brother, Jasper Perrone. During the next 15 years he and his brother were alleged to have smuggled aliens across the Detroit River and gotten them jobs as stoveworkers.

During this period, Perrone was also involved in bootlegging and received a 6-month sentence and \$400 fine for violation of the National Prohibition Act. In addition to that, he has been arrested a number of times, starting back in 1919, up to the year 1954; in 1951 he was arrested for conspiracy to interfere with the formation of a labor organization and fined \$1,000 and given 2 years' probation.

Mr. KENNEDY. That was for union busting, was it?

Mr. SALINGER. Yes. In connection with the Briggs Manufacturing Co. In testimony before the Kefauver committee it was established that Santo Perrone was engaged in union-busting activities for the Briggs Manufacturing Co., in return for which they awarded a lucrative scrap contract to his son-in-law, Carl Renda.

He was also active as a strikebreaker at the Detroit Stove Works where he worked for some period of time and was eventually awarded the salvage contract for that company.

He admitted that his net earnings in this contract amounted to as high as \$5,000 per month. In 1942 Santo Perrone, along with his brother Jasper and Matthew Perrone, were arrested for violation of the Federal Firearms Act.

There was a fire in the lockers of the Detroit Stove Works and the firemen discovered guns in a locker, three loaded pistols in a locker, which belonged to the Perrone brothers, as well as 25 feet of dynamite fuse.

In 1945 Perrone was arrested and held as a police witness regarding the murder of Lydia Thompson. A note was found on the person of Lydia Thompson stating that if anything happened to her, they should pick up Perrone and question him. However, he was never convicted in this murder.

Mr. KENNEDY. He has been arrested in a number of other murders?

Mr. SALINGER. I believe that is the only murder case. No; he was arrested for murder in 1920 also.

Senator CURTIS. Is Mr. Perrone identified as being affiliated with any labor organization?

Mr. SALINGER. No, sir.

Senator CURTIS. Has he had income from them?

Mr. KENNEDY. No. He was involved and convicted for labor-union busting back in 1951, and was connected, as this witness has testified with this particular company that we are interested in.

Senator CURTIS. Is he the same Santo Perrone that was at the Apalachin conference?

MR. SALINGER. He was not at the Apalachin conference.

MR. KENNEDY. He is a witness that we have been looking for. Also, Mr. Chairman, we have been unable to find Mr. Santo Perrone.

SENATOR IVES. May I raise a question there, Mr. Chairman?

Is he a member of the Mafia?

THE CHAIRMAN. I don't know whether we have that information or not.

SENATOR IVES. I am asking the counsel.

MR. KENNEDY. Well, Senator, he is a member of the syndicate or the Mafia or whatever the organization might be called. He is a member and a very prominent member of the underworld. Whether it is called the Mafia or the syndicate.

SENATOR IVES. I don't care what you call it. We used to call it the Black Hand when I was a kid.

MR. KENNEDY. Well, he is a member of it.

SENATOR IVES. Is he related to anybody that was at the Apalachin conference? Have you anything on that?

MR. KENNEDY. Well, we can bring out our chart.

SENATOR IVES. Never mind that, if you don't know.

MR. SALINGER. Not directly, Senator.

SENATOR IVES. There is so much relationship among all these birds, I am just wondering.

MR. KENNEDY. He is related to people who are related.

SENATOR IVES. All right. Proceed.

MR. KENNEDY. Did you have any conversations with Mr. Tessmer, of the Jefferson Chevrolet Co., this year?

MR. ROSENBERG. Yes, in February of this year.

MR. KENNEDY. Would you relate those to the committee?

MR. ROSENBERG. We supplied Jefferson Chevrolet with coveralls, and I believe it was the beginning of February he told me that he would have to quit service with us, that he would have to go to another coverall company.

MR. KENNEDY. What did he tell you as to why?

MR. ROSENBERG. He gave me no definite reason.

MR. KENNEDY. How long had you been serving them?

MR. ROSENBERG. I would say about 5 years.

MR. KENNEDY. He did not give you any reason for it?

MR. ROSENBERG. No. He told me he had to quit for reasons of his own.

MR. KENNEDY. Did he give you any ideas as to why he was quitting? Did he say it was poor service?

MR. ROSENBERG. No, it was not poor service.

MR. KENNEDY. Did he tell you it was not poor service?

MR. ROSENBERG. Yes.

MR. KENNEDY. Did he give you any idea as to why he was leaving your account, giving up your account?

MR. ROSENBERG. No.

MR. KENNEDY. No idea at all?

MR. ROSENBERG. He did not give me any idea, no. He just told me he had to quit.

MR. KENNEDY. Was he reluctant to make the change?

MR. ROSENBERG. Yes, very.

MR. KENNEDY. He said he was unhappy that he had to?

Mr. ROSENBERG. Right.

Mr. KENNEDY. Did he say there was somebody putting pressure on him to do so?

Mr. ROSENBERG. He said there was a good reason why he had to quit.

Mr. KENNEDY. Did he indicate to you what the good reason might be?

Mr. ROSENBERG. No; no definite reason.

Mr. KENNEDY. Did he give you sort of an indirect reason, you might say? Could you gather what the reason was?

Mr. ROSENBERG. Well, there are many reasons I could gather, but nothing definite.

Mr. KENNEDY. What did he say to you?

Mr. ROSENBERG. All he told me is that, eventually, I will have the business back.

Mr. KENNEDY. What did he say to you as to the kind of pressure that he had been undergoing?

Mr. ROSENBERG. Well, at the time, he was nervous. Other than that, nothing definite.

Mr. KENNEDY. Did he tell you what kind of trouble he was in?

Mr. ROSENBERG. No.

Mr. KENNEDY. Did he say he had met somebody who could solve his trouble?

Mr. ROSENBERG. Yes; he told me he had met somebody who could help him out.

Mr. KENNEDY. Did he indicate who that was?

Mr. ROSENBERG. No.

Mr. KENNEDY. Did he indicate what kind of trouble it was?

Mr. ROSENBERG. No; he did not.

Mr. KENNEDY. Did you find out at that time, or around that time, whether he was in any kind of difficulty?

Mr. ROSENBERG. I checked around, and the most I found was that there was union organizing going on in the shop. But that was on my own.

Mr. KENNEDY. That was checking that you did yourself?

Mr. ROSENBERG. Yes.

Mr. KENNEDY. You found that the union had been attempting to organize his shop?

Mr. ROSENBERG. Yes. It was not the first time.

Mr. KENNEDY. Did it occur to you that it might be that he was having trouble with the union and that he had found an individual who could settle that trouble?

Mr. ROSENBERG. I thought of it, and that is about as far—

Mr. KENNEDY. Is that the conclusion you reached?

Mr. ROSENBERG. Well, they also got a better price.

Mr. KENNEDY. He said he was under pressure; that he would like to keep you; that he was in difficulty. We are just trying to determine what that difficulty and trouble was.

Mr. ROSENBERG. No; he did not let me know.

Mr. KENNEDY. The only trouble you could find out was the union difficulties?

Mr. ROSENBERG. Right. I did not ask him too much. I did not ask him too many questions.

The CHAIRMAN. Why? Why would not you be concerned?

Mr. ROSENBERG. I was very concerned.

The CHAIRMAN. Why didn't you ask him more about it?

Mr. ROSENBERG. I asked, and he told me that I will get the account back, and that is all he would tell me.

The CHAIRMAN. Were you under apprehensions about what the real trouble was?

Mr. ROSENBERG. I beg your pardon?

The CHAIRMAN. You had a pretty good idea what the real trouble was, anyhow, didn't you?

Mr. ROSENBERG. Not then, no.

The CHAIRMAN. You did not then?

Mr. ROSENBERG. No.

The CHAIRMAN. Did you later come to some conclusion about it?

Mr. ROSENBERG. I had an idea later on.

The CHAIRMAN. All right. Go ahead.

Mr. KENNEDY. He did say that the reason he was changing was because of the fact that he had found an individual who could solve his problems; is that right?

Mr. ROSENBERG. Yes.

Mr. KENNEDY. And did he also indicate to you that, if he did not make the change in the coverall business, there would be no account there to service whatsoever; that he would be out of business?

Mr. ROSENBERG. He said, "I may decide to close the doors."

Mr. KENNEDY. He would be out of business if he did make the change; is that right?

Mr. ROSENBERG. Yes.

Mr. KENNEDY. That is all, for now.

The CHAIRMAN. Are there any questions?

If not, thank you.

Call the next witness.

Mr. KENNEDY. Mr. Tessmer.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. TESSMER. Yes, sir.

TESTIMONY OF RAY TESSMER

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. TESSMER. Ray Tessmer, 2130 East Jefferson, Detroit, Mich., president of Jefferson Chevrolet.

The CHAIRMAN. All right, sir. Do you have counsel, or do you waive counsel?

Mr. TESSMER. No; I am by myself.

The CHAIRMAN. You waive counsel?

Mr. TESSMER. Yes, sir.

The CHAIRMAN. All right.

Mr. KENNEDY. You are the owner of the Jefferson Chevrolet Co.?

Mr. TESSMER. Yes, sir.

Mr. KENNEDY. How long have you had that company?

Mr. TESSMER. Since 1953.

Mr. KENNEDY. You have Michigan Industrial Laundry now, that does your laundry?

Mr. TESSMER. Yes, sir.

Mr. KENNEDY. It does the overalls?

Mr. TESSMER. Yes, sir.

Mr. KENNEDY. How long have you had them?

Mr. TESSMER. Sometime in March.

Mr. KENNEDY. Whom did you have prior to that?

Mr. TESSMER. Auto City Coverall.

Mr. KENNEDY. What was the name of it?

Mr. TESSMER. Auto City Coverall.

Mr. KENNEDY. How do you spell it?

Mr. TESSMER. A-u-t-o——

Mr. KENNEDY. Auto City Coverall?

Mr. TESSMER. That is right.

Mr. KENNEDY. Why did you change?

Mr. TESSMER. I beg your pardon?

Mr. KENNEDY. Why did you change to Michigan Industrial Laundry?

Mr. TESSMER. Why did I change? Because I got a better price and a better deal.

Mr. KENNEDY. You weren't in any difficulties at the time, were you?

Mr. TESSMER. No, not at the particular time. In fact, I never was in any difficulty.

Mr. KENNEDY. Mr. Rosenberg indicated, the prior witness, that you were having some trouble, and that was the reason that you changed.

Mr. TESSMER. Well, no; that was not the prime reason.

Mr. KENNEDY. Was that one of the reasons?

Mr. TESSMER. No.

Mr. KENNEDY. It did not play any part?

Mr. TESSMER. I did not have to change, because there were two other coverall companies that wanted my business. In fact, Arrow has been after me.

Mr. KENNEDY. Did you tell Mr. Rosenberg that that was the reason?

Mr. TESSMER. No.

Mr. KENNEDY. So, his testimony is completely incorrect?

Mr. TESSMER. I never told him no such thing.

Mr. KENNEDY. Never anything like that?

Mr. TESSMER. No.

Mr. KENNEDY. You weren't having any trouble at the time?

Mr. TESSMER. I was having a little union trouble. They were trying to organize my men, but I never belonged to no union.

Mr. KENNEDY. You were having a little union trouble at that time?

Mr. TESSMER. That is right; in October.

Mr. KENNEDY. In October 1957?

Mr. TESSMER. Between October and November; that is right.

Mr. KENNEDY. Somebody had been trying to organize you?

Mr. TESSMER. No; my men went up to the union; they had a meeting at the hall, and I don't know—10 or 12 of them paid their dues in. One day Mr. Petroff came in and, with three of my men, and said, "Your men want to join the union. They told me you are a good fellow; they like you; we ain't got nothing against you, but your service manager they don't like, so they want to join the union."

In the first place, I told him I would never join the union; before I would join the union I would take and close the shop.

Mr. KENNEDY. This was the end of October?

Mr. TESSMER. That was along in October–November, along in there. I don't remember.

Mr. KENNEDY. What happened then?

Mr. TESSMER. So, he said, "Well, we want to bargain with you. When can we talk about it?" I said, "Well, I wouldn't do any bargaining unless I got hold of my attorney." I couldn't get hold of my attorney at that time, so I said, "As soon as I get hold of him, I will let you know."

This went on for, I don't know, probably 3 or 4 weeks, or maybe a month, and then my service manager fired one of the boys in my place. So then Mr. Petroff called me and wanted to know if I knew why the boy was fired, and I said, "No," which I didn't at that particular time, "but I will take and find out."

He said "You take and find out why he was fired." I did. I got hold of the service manager, and I checked with him, and he said, "Well, the boy used to work on the lubrication rack, and we needed a man on nights for relining brakes, and he went on the night shift. Then he decided he wanted to go back on the lubrication rack. We did not have enough work for him." So, my service manager said to him, "You either stay on nights or we don't need you."

Petroff said he would call me back in about an hour or so. He did. He called me back. Maybe it was a couple of hours, I think. So then he took and—I told him what the story was, just like I told you, and he said, "Where is"—I can't think of the mechanic's name right now—and I said, "Well, he is out in the shop somewhere."

I called him in. Petroff talked to him on the phone and he must have said, "Well, you are going to have to work nights or else they can't use you." That was the end of it.

Mr. KENNEDY. That was the end?

Mr. TESSMER. That is right.

Mr. KENNEDY. You never had any more trouble with the union?

Mr. TESSMER. I didn't have any more trouble with the union until—well, I didn't have any trouble.

Mr. KENNEDY. You did not have any trouble at all?

Mr. TESSMER. No.

Mr. KENNEDY. So, Mr. Rosenberg is all mixed up?

Mr. TESSMER. I did not have any trouble with them at all. Still, as far as that goes, I still don't have any trouble.

Mr. KENNEDY. You just had these two conversations with Petroff; is that right?

Mr. TESSMER. Up until then, yes.

Mr. KENNEDY. Did you have some conversations later on?

Mr. TESSMER. Yes. I had one—no; that is the only time I ever talked to him on the telephone up until that time.

Mr. KENNEDY. After that, did you have some conversations?

Mr. TESSMER. One other time.

Mr. KENNEDY. What was that?

Mr. TESSMER. I went into the, where we eat, diner; I walked in there and Mr. Petroff and Joe Lehr—

Mr. KENNEDY. Joe Lehr? Who is Joe Lehr?

Mr. TESSMER. That is right—and I can't think of the other fellow's name from the union.

Mr. KENNEDY. Herman Kierdorf?

Mr. TESSMER. That is right. I went in to eat, and they were setting in the office there, and he called me over there.

Mr. KENNEDY. Wait a minute. Let's find out where this is.

Mr. TESSMER. Over at Red Kemp's.

Mr. KENNEDY. Red Kemp's?

Mr. TESSMER. That is right.

Mr. KENNEDY. You happened to go in there for lunch one day?

Mr. TESSMER. I went in for lunch.

Mr. KENNEDY. Petroff, Kierdorf, and Joe Lehr?

Mr. TESSMER. That is right.

Mr. KENNEDY. Who were you having lunch with that day?

Mr. TESSMER. I wasn't having lunch with anybody. I just walked in there myself.

Mr. KENNEDY. You just happened to go in for lunch?

Mr. TESSMER. That is right.

Mr. KENNEDY. Nobody arranged it?

Mr. TESSMER. That is right. They called me over and I walked over and sat down and had lunch with them. The only thing, they told me, "We don't want to have no trouble with you. You have a good bunch of boys over there. They all like you. Let this boy work." I said, "All right, if he will do his work, I will let him work, and if he wouldn't do his work, I am not going to keep him."

The only reason they wanted me to keep him on there was that my men were pressuring them, and if they didn't take and represent my men another union would.

So I said, "Well, if he wants to do his work, I will keep him on."

Mr. KENNEDY. What was Joe Lehr doing at that lunch? Was he a labor-relations consultant for you?

Mr. TESSMER. No. Joe Lehr came in to talk to me before. In fact, he wanted me to take and give my coverall business, if I could help another company out.

Mr. KENNEDY. He was interested in you switching your coverall business?

Mr. TESSMER. No. He asked me if I could give the business to Nancy Dawson.

Mr. KENNEDY. Dawson?

Mr. TESSMER. That is right.

Mr. KENNEDY. How did you happen to know Joe Lehr?

Mr. TESSMER. Ernie Grissom sent him over to me.

Mr. KENNEDY. Who is Ernie Grissom?

Mr. TESSMER. He is a Chevrolet dealer from Mount Clemens. He is a friend of mine.

Mr. KENNEDY. Why did Ernie Grissom send him to you?

Mr. TESSMER. Well, he just sent him over to me to get the coverall business, help Nancy get the coverall business.

Mr. KENNEDY. Why could Joe Lehr do that?

Mr. TESSMER. Well, just as a friend. No particular reason that I know of.

Mr. KENNEDY. Did you know Joe Lehr before?

Mr. TESSMER. No, I did not, until he came over and introduced himself.

Mr. KENNEDY. Had you talked to Ernie Grissom about it?

Mr. TESSMER. Yes.

Mr. KENNEDY. You talked to Ernie Grissom?

Mr. TESSMER. At our Chevrolet meetings we talked.

Mr. KENNEDY. Had you told him about the labor difficulties you were having?

Mr. TESSMER. Not particularly. We talked about all labor unions.

Mr. KENNEDY. Did you mention specifically that the union was trying to organize your employees?

Mr. TESSMER. Well, I just said that my boys were joining the union, that is right, and he said "I think Joe Lehr knows the boys at the union."

Mr. KENNEDY. So he said Joe Lehr had some friends amongst the union?

Mr. TESSMER. That is right. And he said he would——

Mr. KENNEDY. Send him over?

Mr. TESSMER. Send him over and see if he could do anything. Well at that particular time I did not have no trouble.

Mr. KENNEDY. You were not having any trouble. Did Joe Lehr come anyway?

Mr. TESSMER. No, I did not have any trouble.

Mr. KENNEDY. Did Joe Lehr come then?

Mr. TESSMER. Yes, he came over.

Mr. KENNEDY. What conversation did you have?

Mr. TESSMER. Well, that is all. He just said, "Well, I will take and talk to them."

Mr. KENNEDY. Had you received a telegram from the union at that time?

Mr. TESSMER. Yes, I did.

Mr. KENNEDY. You heard from the union?

Mr. TESSMER. That is right. I got a telegram.

Mr. KENNEDY. You forgot to tell that.

Mr. TESSMER. Yes.

The CHAIRMAN. I hand you here what purports to be the telegram to which you have referred, dated November 1. I guess it is 1957.

Mr. KENNEDY. 1957, Senator.

The CHAIRMAN. I ask you to examine this telegram and state if that is the telegram you received.

(The document was handed to the witness.)

Mr. TESSMER. Yes, that is the one I received, yes.

The CHAIRMAN. It is.

That may be made exhibit No. 6.

(The document referred to was marked "Exhibit No. 6" for reference, and may be found in the files of the select committee.)

The CHAIRMAN. It reads:

JEFFERSON CHEVROLET Co.: Local 376, Teamsters Union, represents a majority or more of your garage and service employees for collective-bargaining purposes. Demand for recognition as bargaining agent is hereby made. Your immediate reply is expected, and action by you against any union member will be considered an unfair labor practice and may result in strike action against you.

Was that before you got in touch with Mr. Grissom and this other man came to see you?

Mr. TESSMER. Yes.

The CHAIRMAN. So you did have a little pressure on you, didn't you?

There was beginning to be a little pressure.

Mr. TESSMER. Well, if you want to call it pressure, but I actually did not recognize the union or did not have anything to do with them.

The CHAIRMAN. They were having something to do with you, were they not?

Mr. TESSMER. Well, that is the first time I ever knew anything about it.

The CHAIRMAN. So it was after that that this other fellow came to see you and everything began to work?

Mr. TESSMER. That is right.

Mr. KENNEDY. When did you get ahold of Ernie Grissom?

Mr. TESSMER. Well, I talked to him several times at meetings. At no particular time did I get ahold of him.

Mr. KENNEDY. Did you get ahold of him shortly after you got the telegram?

Mr. TESSMER. No. To be honest, I don't remember.

Mr. KENNEDY. What was your reaction when you got the telegram?

Mr. TESSMER. I just did not do anything about it.

Mr. KENNEDY. You did not?

Mr. TESSMER. No. In fact, to be honest, I threw it in the wastebasket.

Mr. KENNEDY. You were not concerned about it?

Mr. TESSMER. No.

Mr. KENNEDY. You did not get in touch with Ernie Grissom?

Mr. TESSMER. No.

Mr. KENNEDY. Did you get in touch with anyone?

Mr. TESSMER. No.

Mr. KENNEDY. May I ask Mr. Salinger a question, Mr. Chairman?

The CHAIRMAN. Proceed.

Mr. KENNEDY. What time did you receive this telegram?

Mr. TESSMER. I don't know, sir.

Mr. KENNEDY. Have we determined from the Western Union Co. the time that this telegram was delivered?

Mr. SALINGER. Yes, sir.

Mr. KENNEDY. What is the time the telegram was delivered?

Mr. SALINGER. Between 1:54 p. m. and 3:02 p. m. on November 1, 1957; that is the best they could tell us.

Mr. KENNEDY. Did you find from an examination of the telephone calls of Mr. Tessmer that he made any telephone calls to Mr. Grissom on that day?

Mr. SALINGER. There are two phone calls on November 1, 1957, from the Jefferson Chevrolet Co. to the Ernie Grissom Chevrolet Co. The first was made at 12:01 p. m., lasting 2 minutes, and the second was made at 3:15 p. m., and lasted for 2 minutes.

Mr. TESSMER. I don't recall, to be honest.

Mr. KENNEDY. You did, in fact, contact Mr. Grissom on that day?

Mr. TESSMER. I don't remember.

Mr. KENNEDY. Isn't it a fact that Mr. Grissom sent Mr. Joe Lehr over to see you on that?

Mr. TESSMER. Right.

Mr. KENNEDY. And he came on the very day you received the telegram?

Mr. TESSMER. I don't remember that, to be honest.

Mr. KENNEDY. You remember that.

Mr. TESSMER. No; to be honest, I don't.

Mr. KENNEDY. Don't you remember you were very concerned when you received the telegram, you were very worried?

Mr. TESSMER. I probably was concerned. I will agree on that.

Mr. KENNEDY. Isn't it a fact that you contacted Mr. Grissom on the very day and he arranged for Joe Lehr to come to see you on November 1?

Mr. TESSMER. Well, I don't recall it. I will be honest.

Mr. KENNEDY. Tell us the conversation you had with Joe Lehr when you first saw him.

Mr. TESSMER. With Joe Lehr?

Mr. KENNEDY. Yes.

Mr. TESSMER. Well, the only thing I can recall——

Mr. KENNEDY. He was sent to you by Mr. Grissom, was he not, because of this labor problem?

Mr. TESSMER. Yes, that is right.

Mr. KENNEDY. What did he say? What conversation did he have with you about your labor difficulties?

Mr. TESSMER. Well, all I can remember is that he told me he would help me out, that he knew Petroff and—I mean—yes, Petroff.

Mr. KENNEDY. What about Mr. Kierdorf?

Mr. TESSMER. Well, Kierdorf, as I recall, was not brought into it at that time.

Mr. KENNEDY. He said he knew Mr. Petroff?

Mr. TESSMER. That is right.

Mr. KENNEDY. During the same conversation, did he tell you he would like you to change your coverall business and give it to Nancy Dawson?

Mr. TESSMER. Not at that particular time, but later on I think he brought Miss Dawson over and asked if I would give her the coverall business.

Mr. KENNEDY. Didn't he discuss the union difficulties and the shifting of your coverall business on that first interview?

Mr. TESSMER. No, not at the first interview, no. That came later when he brought Miss Nancy——

Mr. KENNEDY. All right.

Did he discuss it with you immediately after that?

Mr. TESSMER. No. Well, he brought it over and said——

Mr. KENNEDY. Within a short time?

Mr. TESSMER. I don't know just how long.

Mr. KENNEDY. Well, within a short time.

Mr. TESSMER. That's right.

Mr. KENNEDY. And he told you he wanted you to change, to give the coverall business to Nancy Dawson?

Mr. TESSMER. Right.

Senator CURTIS. Who did Nancy Dawson represent? What laundry?

Mr. KENNEDY. The Dawson Industrial Laundry.

Senator CURTIS. Did that laundry have any tieups with union leaders?

Mr. KENNEDY. We are going to develop that. Probably we wouldn't be able to finish with the tieup of that laundry with some of these other individuals until tomorrow, but we are going to develop that situation.

Did Mr. Lehr return to see you at a later time and tell you that there was another laundry company other than Nancy Dawson's that he thought you should give the laundry to?

Mr. TESSMER. Yes. Well, he came over with Nancy Dawson twice.

Mr. KENNEDY. Two times?

Mr. TESSMER. That is right. Then I said "No, I was not going to change laundry companies at this particular time unless I got a good deal and a good price."

In the meantime, another laundry company came over and saw me.

Mr. KENNEDY. Who was that?

Mr. TESSMER. I think the two fellows represented, if I remember right, it was Central.

Mr. KENNEDY. Did he bring anybody else back?

Mr. TESSMER. Then later on he brought Mr. Taylor and he said "Since you don't want to give it to Nancy Dawson, see what you can do for Mr. Taylor."

Mr. KENNEDY. Who did Mr. Taylor represent?

Mr. TESSMER. He is the one I am doing business with now.

Mr. KENNEDY. Mr. Lehr ultimately brought the Michigan Industrial Laundry back, is that right, a representative of the Michigan Industrial Laundry?

Mr. TESSMER. That is right.

Mr. KENNEDY. This is the same Mr. Lehr who had been described to you as the individual who could settle your labor difficulties?

Mr. TESSMER. That is right.

The CHAIRMAN. What in the world did he have to do with where you sent your laundry?

Mr. TESSMER. Nothing.

The CHAIRMAN. It seems like he took a lot of interest in it.

Mr. TESSMER. Well, he wanted to get the business for his friends is about all I can see.

The CHAIRMAN. He would settle all of your labor troubles if you would look after his friends for him. Well, that is what it adds up to, isn't it?

Mr. TESSMER. Well, if that is how it adds up.

The CHAIRMAN. Can you add it up to a different answer?

Mr. TESSMER. No.

The CHAIRMAN. Well, all right. We will agree on it.

Mr. KENNEDY. So you gave your laundry, then, to Michigan Industrial Laundry?

Mr. TESSMER. That is right.

Mr. KENNEDY. And you had no labor problems, is that right?

Mr. TESSMER. Yes, I had—

Mr. KENNEDY. They never organized your employees?

Mr. TESSMER. They are trying to organize.

Mr. KENNEDY. But they never organized them at that time?

Mr. TESSMER. No, sir.

Mr. KENNEDY. You never had any more problem about them organizing your employees at that time?

Mr. TESSMER. Yes, 6 weeks ago.

Mr. KENNEDY. At that time.

Mr. TESSMER. No.

Mr. KENNEDY. That is all.

The CHAIRMAN. The committee will have to recess for a few minutes until we can go over and vote.

(At the recess, the following members were present: Senators McClellan, Ives, Church, and Curtis.)

(Brief recess.)

(After the recess, the following members were present: Senators Church, McClellan, and Curtis.)

The CHAIRMAN. The hearing will be in order.

Mr. KENNEDY. Mr. Tessmer, you say that the union has been attempting to organize you lately?

Mr. TESSMER. Yes, sir.

Pardon me, not organize me. I let another mechanic go, and they called me up and wanted to know why.

Mr. KENNEDY. How long ago was that?

Mr. TESSMER. About 6 weeks ago.

Mr. KENNEDY. But you had no contract up to then?

Mr. TESSMER. I have no contract.

Mr. KENNEDY. Even now?

Mr. TESSMER. No.

Mr. KENNEDY. Mr. Chairman, I might say that it was just about 7 or 8 weeks ago that we went into the local union in Detroit to look at the files in connection with this matter. So it has been since we evidenced interest that the union has again become interested in Mr. Tessmer's company.

The CHAIRMAN. All right.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. I would just like to get a little background information.

Is the laundry matter of supplying uniforms and laundering them a sizable item in garage operations?

Mr. TESSMER. A sizable item?

Senator CURTIS. Yes, moneywise.

Mr. TESSMER. My bill runs in the neighborhood of between \$400 and \$500 a month.

Senator CURTIS. A month. And that is servicing uniforms for approximately how many men?

Just roughly.

Mr. TESSMER. I would say in the neighborhood of around 40, partsmen, mechanics, floormen, and all.

Senator CURTIS. So probably it is something that maybe runs \$10 per man per month?

Mr. TESSMER. Yes; something like that. I never figured it out, to be honest with you.

Senator CURTIS. Do all the garages handle it in the same way? The management pays half and the men pay half?

Mr. TESSMER. That I don't know. That is the way I handle it in my place.

Senator CURTIS. With regard to the question of whether or not there was union trouble, what do you consider to be union trouble?

Are you referring to strikes and picket lines and problems of that sort, or do you regard a demand that they be recognized as union trouble?

Mr. TESSMER. Well, I would say union trouble is when they want me to recognize them and I wouldn't do it. I don't want to.

Senator CURTIS. Did you ever have any strike at your place?

Mr. TESSMER. No.

Senator CURTIS. No picket line?

Mr. TESSMER. No.

Senator CURTIS. No violence or threat?

Mr. TESSMER. No, sir.

Senator CURTIS. So in the sense of anything that would stop your business, you have not had that serious trouble?

Mr. TESSMER. No, sir.

Senator CURTIS. It has been the question of their demand that the union be recognized?

Mr. TESSMER. That is right.

Senator CURTIS. That is all, Mr. Chairman.

Mr. TESSMER. Yes, sir.

The CHAIRMAN. All right. Thank you.

Call the next witness.

Mr. KENNEDY. We have an affidavit, Mr. Chairman, which supports this testimony. Can we read part of it in?

The CHAIRMAN. We have an affidavit from a Mr. Richard B. Taylor of Woodingham, Detroit, Mich., of 18112 Woodingham, Detroit, Mich.

Mr. Counsel, you may read the pertinent parts of it. The affidavit will be made exhibit No. 7.

(The document referred to was marked "Exhibit No. 7" for reference and may be found in the files of the select committee.)

Mr. SALINGER (reading):

I am the sales manager of the Michigan Industrial Laundry in Detroit, Mich., the position I have held for the past year and a half.

My principal job is the soliciting of accounts for Michigan Industrial Laundry. In January of 1958, I had a conversation with Joseph Lehr, one of the partners of the Star Coverall Supply Co.

At that time, I was interested in getting accounts which were being serviced by the Auto City Coverall Co. The reason for this was that Auto City had taken one of Michigan Industrial accounts. I knew that Auto City was serving the account of the Jefferson Chevrolet Co. and I asked Mr. Lehr if he knew Ray Tessmer, the owner of that company.

Mr. Lehr said he did know Mr. Tessmer and would introduce me to him. Lehr explained to me that the Star Coverall Co. had been friendly with the Auto City Co. in the past and he did not want to take this account himself.

At one time, they had occupied the same building and used the same laundry facilities. He subsequently took me to Jefferson Chevrolet Co. where he introduced me to Mr. Tessmer, and after 3 or 4 subsequent visits with Tessmer, I was awarded the Jefferson Chevrolet contract.

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. William Root.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. ROOT. I do.

TESTIMONY OF WILLIAM ROOT

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. ROOT. My name is Bill Root, and I live in Royal Oak, Mich., and I own Bill Root's Chevrolet in Farmington.

The CHAIRMAN. You waive counsel?

Mr. ROOT. I do, sir.

Mr. KENNEDY. You own the Bill Root Chevrolet Co.?

Mr. ROOT. That is right.

Mr. KENNEDY. In the summer of 1956, did Local 376 of the Teamsters begin to organize your employees?

Mr. ROOT. They did, sir.

Mr. KENNEDY. And there was an election held and the union won by three votes?

Mr. ROOT. Right.

Mr. KENNEDY. You then went into negotiations with the union?

Mr. ROOT. Yes, sir.

Mr. KENNEDY. The union was represented in these negotiations by Mr. Petroff; that is right?

Mr. ROOT. And Mr. Kierdorf.

Mr. KENNEDY. And Mr. Kierdorf. The negotiation continued until June of 1957?

Mr. ROOT. Yes, sir.

Mr. KENNEDY. And then a strike was called by the union; is that right?

Mr. ROOT. Yes, sir.

Mr. KENNEDY. And the strike ended several days before Christmas of 1957?

Mr. ROOT. Two days after, sir.

Mr. KENNEDY. Two days after Christmas, 1957. Did you sign a contract with the union then?

Mr. ROOT. I did not, sir.

Mr. KENNEDY. The only concession that you made was to rehire some of the individuals who had been fired?

Mr. ROOT. That is right, sir.

Mr. KENNEDY. In November of 1957 did you have a meeting with Mr. Joe Lehr?

Mr. ROOT. I can't remember the exact date. I would say the meeting was probably in October or before, a little before the new 1958 model came out.

Mr. KENNEDY. Can you tell us how that was arranged, by whom?

Mr. ROOT. I got a telephone call from Mr. Ernie Grissom, whom I have known for a number of years, since he was a small boy, and we have been friends for a long time. He merely asked me to come out there. He had arranged a meeting with Mr. Lehr and Mr. Kierdorf. It was to see if we could not start negotiations again.

Mr. KENNEDY. What did Mr. Lehr have to do with the union?

Mr. ROOT. That I don't know.

Mr. KENNEDY. Why was he to be involved in this meeting?

Mr. ROOT. That is something I can't answer.

Mr. KENNEDY. He was not associated with your company, was he?

Mr. ROOT. None whatsoever.

Mr. KENNEDY. He was not associated with the union?

Mr. ROOT. None that I know of.

Mr. KENNEDY. Why was he present in these discussions?

Mr. ROOT. Well, he was the man who was in on the deal.

Mr. KENNEDY. The fixer?

Mr. ROOT. Apparently so, or friend of somebody.

Mr. KENNEDY. So did you have the luncheon with him at Red Kemp's Restaurant?

Mr. ROOT. We had one meeting previous to that in Mount Clemens.

Mr. KENNEDY. Did you discuss the problems then?

Mr. ROOT. No; we did not.

Mr. KENNEDY. Did you discuss it in substance?

Mr. ROOT. We did discuss it, that is right.

Mr. KENNEDY. Can you tell us about it?

Mr. ROOT. Well, the only discussion was that they wanted me to sign a paper that I would recognize the union at a later date, to which I would not agree without the advice of my counsel.

Mr. KENNEDY. Did Mr. Lehr speak to you at all about what coverall company you were using?

Mr. ROOT. He asked me at one time.

Mr. KENNEDY. What did you tell him?

Mr. ROOT. I told him I used Cadillac.

Mr. KENNEDY. Did he say he approved of Cadillac?

Mr. ROOT. He said, "They are a good bunch of boys. Keep with them."

Mr. KENNEDY. He told you you should keep with them?

Mr. ROOT. Right.

Mr. KENNEDY. The picket line was called off. Did you feel that Mr. Lehr had played a role in that?

Mr. ROOT. I could not help but think that he had some part in the matter.

Mr. KENNEDY. You felt that he did?

Mr. ROOT. That is right.

Mr. KENNEDY. Your contact with Lehr was just shortly before the strike ended, was it not?

You contacted him 6 days before the strike ended?

Mr. ROOT. That was the last contact. But I would say it was over a longer period than that.

Mr. KENNEDY. Your last contact was 6 days prior, and you felt that he had played a role?

Mr. ROOT. I believe so.

Mr. KENNEDY. Was it because of his friendship with Mr. Kierdorf; is that what you understand?

Mr. ROOT. That is what I gathered; that it was his friendship with Mr. Kierdorf.

Mr. KENNEDY. We have some telephone calls. You were in touch with Mr. Lehr frequently just prior to the time the strike ended, were you?

Mr. ROOT. I believe I did call him a couple of times.

Mr. KENNEDY. And he, in turn, was in touch with Mr. Kierdorf; you understood that?

Mr. ROOT. I believe that is right.

Mr. KENNEDY. And you were all keeping Mr. Grissom advised as to the progress?

Mr. ROOT. Not necessarily keeping Mr. Grissom advised.

MR. KENNEDY. Well, you talked to Mr. Grissom?

MR. ROOT. I talked to him several times; that is right.

MR. KENNEDY. What were you saying to Mr. Lehr that he was to pass on to Mr. Kierdorf?

MR. ROOT. I don't believe I ever said anything to Mr. Lehr pertaining to Mr. Kierdorf.

MR. KENNEDY. What conversations did he relate to you that he was having with Mr. Kierdorf?

MR. ROOT. Well, he just related to me that he could, possibly, get us together again in negotiations.

MR. KENNEDY. And you got together with them taking the picket line off; is that right?

MR. ROOT. That is for sure.

THE CHAIRMAN. Did you get together and make a contract?

MR. ROOT. No, sir; we never made a contract.

THE CHAIRMAN. So, the only get-together, as counsel says, was you got rid of your picket line, and that is what you wanted.

MR. ROOT. That is what I was interested in; yes, sir.

THE CHAIRMAN. All right.

MR. KENNEDY. Did you ever give any money to Mr. Lehr?

MR. ROOT. I did not, sir.

MR. KENNEDY. Did you give any money to anybody else?

MR. ROOT. To nobody.

MR. KENNEDY. Do you know why Mr. Lehr was so interested in getting your picket line off?

MR. ROOT. Well, I can't understand, unless it was just the friendship of Ernie Grissom. Ernie, as I have stated before, I have known since he was a very young man.

MR. KENNEDY. Why would the union be willing to make this arrangement; do you know?

MR. ROOT. In my honest and frank opinion of it, I think they had all they wanted of me.

MR. KENNEDY. That is all.

THE CHAIRMAN. Are there any questions?

SENATOR CURTIS. No questions.

THE CHAIRMAN. Thank you very much.

Call the next witness.

MR. KENNEDY. Mr. Vincent Meli.

THE CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

MR. MELI. I do.

TESTIMONY OF VINCENT H. MELI, ACCOMPANIED BY COUNSEL, ANTHONY A. VERMEULEN

THE CHAIRMAN. State your name, your place of residence, and your business or occupation, please, sir.

MR. MELI. Vincent H. Meli, 711 North Oxford Road, Crosse Pointe Woods, Mich. My place of business is the Star Coverall Supply Co.

THE CHAIRMAN. And you have counsel, Mr. Meli?

MR. MELI. I do.

THE CHAIRMAN. Mr. Attorney, will you identify yourself for the record, please?

Mr. VERMEULEN. My name is Anthony A. Vermeulen, and I reside at 716 Balford, Grosse Pointe Park, Mich., with offices in the city of Detroit.

The CHAIRMAN. Give your office address, so if we have to get in touch with you, please.

Mr. VERMEULEN. 2715 Cadillac Tower, Detroit 26.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. How long have you been with the Star Coverall Co.?

Mr. MELI. Since, I believe it was, October 1952.

Mr. KENNEDY. Do you have any other interests, other than the Star Coverall?

Mr. MELI. No; I have no other interests.

Mr. KENNEDY. That is your full-time job?

Mr. MELI. That is right.

Mr. KENNEDY. Are you a part owner of that?

Mr. MELI. Yes, sir.

Mr. KENNEDY. Who else?

Mr. MELI. Joseph Lehr and Louis Eisenberg.

Mr. KENNEDY. What interest do you have?

Mr. MELI. We have—we are copartners, equal copartners.

Mr. KENNEDY. How long have you known Mr. Lehr?

Mr. MELI. Since a few months before we formed the business.

Mr. KENNEDY. How did you happen to go into business with him?

Mr. MELI. Well, he was thinking of getting into the business at the time we met, and we talked about it together.

Mr. KENNEDY. How did you happen to meet him?

Mr. MELI. Well, I was selling some trucks, or a truck or two, to the place where he was working at the time.

Mr. KENNEDY. Where was that?

Mr. MELI. That was Klean Linen Supply.

Mr. KENNEDY. Did you know the owner of Klean Linen Supply, Mr. Riccardi?

Mr. MELI. Vaguely.

Mr. KENNEDY. Just met him occasionally?

Mr. MELI. Yes.

Mr. KENNEDY. And Mr. Lehr was interested in moving out of there; was he?

Mr. MELI. Well, he wanted to go into the business.

Mr. KENNEDY. What happened to Klean Linen Supply then?

Mr. MELI. Then?

Mr. KENNEDY. Did they remain in business?

Mr. MELI. Yes; they were in business.

Mr. KENNEDY. They are still in business; are they?

Mr. MELI. No.

Mr. KENNEDY. What happened to them? They went out of business?

Mr. MELI. Since that time, they went out of business; yes, sir.

Mr. KENNEDY. Do you know why they went out of business?

Mr. MELI. No; I don't.

Mr. KENNEDY. Mr. Riccardi appeared before the Kefauver committee, did he not?

Mr. MELI. Well, I guess so. I think I heard such; yes.

Mr. KENNEDY. I guess he discussed the Klean Linen Supply Co. at that time. Did you understand that; that he was asked about the Klean Linen Co. at that time?

Mr. MELI. As I remember.

Mr. KENNEDY. How much money did you put into the company, into your company, the Star Coverall?

Mr. MELI. \$7,500.

Mr. KENNEDY. And Joe Lehr?

Mr. MELI. We each put in equal amounts.

Mr. KENNEDY. Did you borrow that money?

Mr. MELI. Yes, sir.

Mr. KENNEDY. Where did you borrow it from?

Mr. MELI. I borrowed the bulk of it from my father-in-law, Sam Perrone, and the rest from another man. Do you want his name? His name is Anthony Tocco.

Mr. KENNEDY. Anthony Tocco?

Mr. MELI. Yes.

Mr. KENNEDY. Is that from the Melrose Linen Co.?

Mr. MELI. No.

Mr. KENNEDY. Which Anthony Tocco is that?

Mr. MELI. He was the timekeeper at the Detroit (Mich.) Stove Co. at the time.

Mr. KENNEDY. How much money did you get from Santo Perrone?

Mr. MELI. \$6,000, I believe it was.

Mr. KENNEDY. And then the rest of it came from Mr. Tocco?

Mr. MELI. From Mr. Tocco.

Mr. KENNEDY. Did you put other money in as you went along?

Mr. MELI. Well, later on, when we got into the laundry operation, operating our own laundry.

Mr. KENNEDY. You put money in then?

Mr. MELI. Yes.

Mr. KENNEDY. How much money did you put in?

Mr. MELI. I loaned to the company, I think it was, \$18,500.

Mr. KENNEDY. Is that including your \$7,500? Or is that—

Mr. MELI. That was afterward.

Mr. KENNEDY. That is \$18,500 more?

Mr. MELI. Yes.

Mr. KENNEDY. Where did you get that money?

Mr. MELI. I mortgaged my home, and I borrowed some.

Mr. KENNEDY. Whom did you borrow it from?

Mr. MELI. I borrowed some from my brother-in-law, Augustino Orlando.

Mr. KENNEDY. How much money did you get from him?

Mr. MELI. About \$9,500, altogether.

Mr. KENNEDY. Anybody else?

Mr. MELI. No.

Mr. KENNEDY. How much money did you get on the mortgage of your home?

Mr. MELI. \$9,000.

Mr. KENNEDY. \$9,000?

Mr. MELI. Yes, sir.

Mr. KENNEDY. Was that with a bank?

Mr. MELI. Yes, sir.

Mr. KENNEDY. What was the name of the bank?

Mr. MELI. The Bank of the Commonwealth.

Mr. KENNEDY. When you first started in business, who were some of your first accounts?

Mr. MELI. Some of my first accounts?

Mr. KENNEDY. Yes.

Mr. MELI. Well, there were several gas stations.

Mr. KENNEDY. Perrone Service?

Mr. MELI. Which?

Mr. KENNEDY. The Perrone Service?

Mr. MELI. I got that station. I don't know whether it was Perrone's Service at the time.

Mr. KENNEDY. That is the one owned by your father-in-law, Santo Perrone?

Mr. MELI. Well, it is not owned by him now.

Mr. KENNEDY. Was it at the time?

Mr. MELI. I don't remember exactly. I know he owned it at one time, but I don't know whether he still did at that time. I don't know.

Mr. KENNEDY. And the Federal Auto Supply?

Mr. MELI. Yes.

Mr. KENNEDY. That is owned by your father?

Mr. MELI. The place, the building, is owned by my father; yes.

Mr. KENNEDY. And the Lafayette Motors, Inc.? Did you also have that?

Mr. MELI. Well, I didn't have them at that time. It was a little later on.

Mr. KENNEDY. Who was that owned by?

Mr. MELI. Well, the man who is now my brother-in-law. He wasn't at the time.

Mr. KENNEDY. Who owned it at the time?

Mr. MELI. Jack Tocco.

Mr. KENNEDY. Wasn't it formerly owned by Zerilli?

Mr. MELI. Joe Zerilli?

Mr. KENNEDY. Yes.

Mr. MELI. Not that I know of.

Mr. KENNEDY. Anthony Zerilli?

Mr. MELI. I am not sure. I mean I didn't know the exact ownership.

Mr. KENNEDY. It is owned now by Jack Tocco?

Mr. MELI. It is nonexistent now.

Mr. KENNEDY. It was owned by Jack Tocco; you know that much about it?

Mr. MELI. I think so.

Mr. KENNEDY. Did you know of any pressure that was being applied to any accounts, by either the union or by anyone else, to give their account to you, to your company?

Mr. MELI. No, sir.

Mr. KENNEDY. You never knew about any of that?

Mr. MELI. No.

Mr. KENNEDY. Did you know of the connection between Mr. Joseph Lehr, your partner, and Mr. Kierdorf and Mr. Petroff, of the Teamsters Union?

Mr. MELI. Well, I knew he knew Mr. Kierdorf, and knows him now, I guess.

Mr. KENNEDY. And Mr. Petroff?

Mr. MELI. I don't know about Mr. Petroff.

Mr. KENNEDY. Did you know that the union was going around, or, rather, Mr. Kierdorf was going around to the various accounts and suggesting that they give their business to you?

Mr. MELI. I don't know exactly. I couldn't tell you.

Mr. KENNEDY. You don't know if you know that?

Mr. MELI. No.

Mr. KENNEDY. Did you hear that?

Mr. MELI. Well, I didn't hear anything exactly like that; no.

Mr. KENNEDY. Did you hear something like that?

Mr. MELI. Well, I know my partner brought these accounts in.

Mr. KENNEDY. Did you know that the union was helping him bring these accounts in?

Mr. MELI. The union? No; I didn't know anything about it.

Mr. KENNEDY. Did you know Mr. Kierdorf was helping him?

Mr. MELI. I believe Mr. Kierdorf introduced him to some friends of his.

Mr. KENNEDY. You did understand that?

Mr. MELI. I did understand that; yes.

Mr. KENNEDY. Who were some of the people he introduced him to?

Mr. MELI. Well, let's see—I can't recall at the present time.

Mr. KENNEDY. You don't know any of them?

Mr. MELI. I don't know the people; no.

Mr. KENNEDY. Do you know any of the ones that were reported to you that Mr. Kierdorf introduced to your partner, Mr. Lehr?

(The witness conferred with his counsel.)

Mr. MELI. I think Hanley Dawson was one. I can't think of any others.

Mr. KENNEDY. You can't think of any others?

Mr. MELI. No.

Mr. KENNEDY. Did Mr. Kierdorf ever introduce you to anyone?

Mr. MELI. No.

Mr. KENNEDY. Mr. Kierdorf was a friend of your father?

Mr. MELI. Not that I know of.

(At this point, Senator Curtis withdrew from the hearing room.)

Mr. KENNEDY. You never saw your father in his presence?

Mr. MELI. No.

Mr. KENNEDY. You never saw that. According to the testimony that we had this morning, one of the accounts Mr. Kierdorf caused some difficulty for, stopped and said that it could be arranged if they switched to your company, and the reason he was doing it is because he wanted to do a favor for your father, Angelo Meli. Do you know anything about that?

Mr. MELI. No; I don't.

Mr. KENNEDY. Do you know if your father ever talked to Herman Kierdorf about this?

Mr. MELI. Not that I know.

Mr. KENNEDY. Do you know where your father is now?

Mr. MELI. No; I don't.

Mr. KENNEDY. We have been looking for him. You have not seen him yourself?

Mr. MELI. No; I have not.

Mr. KENNEDY. When was the last time you saw him?

Mr. MELI. Just before I left on a vacation on the 4th of July.

Mr. KENNEDY. Do you know where he is now?

Mr. MELI. No; I don't.

Mr. KENNEDY. Does he ordinarily go off on trips like this?

Mr. MELI. Well, he has been off on trips.

Mr. KENNEDY. Nobody knows where he is?

Mr. MELI. I don't know.

Mr. KENNEDY. You don't know where he could be?

Mr. MELI. No, sir; I don't.

The CHAIRMAN. You are not concerned about him?

Mr. MELI. Concerned about him?

The CHAIRMAN. Yes.

Mr. MELI. Yes, I am concerned about him.

The CHAIRMAN. You feel confident, then, that nothing has happened to him?

Mr. MELI. That is right.

The CHAIRMAN. He is just taking himself on a little vacation somewhat secretly?

Mr. MELI. I suppose.

The CHAIRMAN. Proceed.

Mr. KENNEDY. What was the connection of your father with Harry Bennett Ford Co.?

Mr. MELI. I don't know.

Mr. KENNEDY. Did you know that they were friends?

Mr. MELI. I don't know. I can't recall any such.

Mr. KENNEDY. Had you heard that they were associates or friends?

Mr. MELI. That they were associates?

Mr. KENNEDY. Yes.

Or that they were friends.

Mr. MELI. No; I had not heard anything specifically along those lines, no.

Mr. KENNEDY. Generally along those lines did you know Harry Bennett was a friend of your father's?

Mr. MELI. I could not truthfully say that I know they were friends. I don't know.

Mr. KENNEDY. Where did you work prior to going into the linen work?

Mr. MELI. I sold automobiles.

Mr. KENNEDY. For whom?

Mr. MELI. For Louis F. Brown most of the time, a Ford dealer in Detroit.

Mr. KENNEDY. Did you also work for Lafayette Motors?

Mr. MELI. Yes, I did, for a short time.

Mr. KENNEDY. And you work for Jack Tocco there?

Mr. MELI. Well, I worked for Lafayette Motors.

Mr. KENNEDY. Did you work for the Dick Connell Chevrolet Co.?

Mr. MELI. Yes, before I started selling new cars I was selling used cars.

Mr. KENNEDY. Dick Connell has been a friend of your father for a long time?

Mr. MELI. Dick Connell?

Mr. KENNEDY. Yes.

Mr. MELI. I don't know.

Mr. KENNEDY. You don't know about that?

Mr. MELI. I don't know.

Mr. KENNEDY. Do you know anything about Dick Connell?

Mr. MELI. Well, I know—I knew, I should say, Dick Connell, Jr.

Mr. KENNEDY. Did you know of his relationship with your father?

Mr. MELI. No, I don't know about any relationship.

Mr. KENNEDY. Nothing about that.

Mr. MELI. No, sir.

Mr. KENNEDY. You worked for the Detroit, Mich., Stove Works for a while?

Mr. MELI. Yes; for a while.

Mr. KENNEDY. When did you work for them?

Mr. MELI. Before I started selling cars.

Mr. KENNEDY. Whose company was that, the Detroit, Mich., Stove?

Mr. MELI. Well, I think a Mr. John Fry was the president.

Mr. KENNEDY. Did Santo Perrone have anything to do with that?

Mr. MELI. Not that I know of. He had something to do with it. He did not have anything to do with the ownership.

Mr. KENNEDY. What did he have to do with it?

Mr. MELI. Well, he had the scrap and trucking.

Mr. KENNEDY. What do you mean he had the scrap of the company?

Mr. MELI. They sold him the scrap metal, and whatever other scrap there was.

Mr. KENNEDY. Did he arrange for you to go to work there?

Mr. MELI. Well, not exactly arrange.

Mr. KENNEDY. Introduced you?

Mr. MELI. Yes.

Mr. KENNEDY. The man that employed you there was this Mr. Tocca who loaned you the money later on; is that right?

Mr. MELI. Well, he was the timekeeper and I guess he was sort of an employment officer or something of the sort.

Mr. KENNEDY. But that is the same individual that loaned you the money?

Mr. MELI. Yes, that is right; that is the man.

Mr. KENNEDY. Did you work for the Carl Renda Co. also?

Mr. MELI. Yes, for a short while.

Mr. KENNEDY. When did you work for the Carl Renda Co.?

Mr. MELI. Well, after I left Lafayeite Motors I worked for the Carl Renda Co. for a short time.

Mr. KENNEDY. What is the Carl Renda Co.? What do they do?

Mr. MELI. Well, it is nonexistent any more. It just had to be he was in the scrap-metal business, I guess, the scrap business.

Mr. KENNEDY. They had the scrap contract at the Briggs Co.?

Mr. MELI. Yes, they did, at the time I worked for them. Yes.

Mr. KENNEDY. Was there some testimony about that at the Kefauver hearing also?

Mr. MELI. Well, I recall reading about that, too, yes.

Mr. KENNEDY. What was the testimony about?

Mr. MELI. I don't remember exactly.

Mr. KENNEDY. Could you summarize?

Mr. SALINGER. The testimony in the Kefauver committee was to the effect that Sam Perrone, through his activities in breaking strikes at the Briggs Co., had obtained the scrap contracts for his son-in-law, Mr. Carl Renda.

It is a fairly lucrative contract. Mr. Renda testified that he made, I believe, more than \$100,000 in a year. He lost the contract soon after the Kefauver committee hearings.

Mr. KENNEDY. Do we also have some information on Dick Connell, in summary?

Mr. SALINGER. Our information is to the effect that Dick Connell has been friendly with Angelo Meli and a number of other individuals in Detroit, Mr. Licavoli.

Mr. KENNEDY. You know William Bufalino, do you not?

Mr. MELI. Yes.

Mr. KENNEDY. He is related to you?

Mr. MELI. By marriage.

Mr. KENNEDY. Do you know Jimmie Hoffa?

Mr. MELI. No, I don't.

Mr. KENNEDY. You have never met Hoffa?

Mr. MELI. No. We have never been introduced, no.

Mr. KENNEDY. What about Owen Brennan?

Mr. MELI. I don't know him.

Mr. KENNEDY. Do you know Tony Serogusa?

Mr. MELI. No.

Mr. KENNEDY. Do you know John Priziola?

Mr. MELI. Yes.

Mr. KENNEDY. Pete Corrado?

Mr. MELI. Well, I knew him.

Mr. KENNEDY. When he was alive?

Mr. MELI. Yes.

Mr. KENNEDY. Do you know Pete Licavoli?

Mr. MELI. Yes.

Mr. KENNEDY. What was Pete Licavoli doing at your headquarters or your place of business?

Mr. MELI. My place of business?

Mr. KENNEDY. Yes.

Mr. MELI. He was never in my place of business.

Mr. KENNEDY. He never was in your place of business?

Mr. MELI. No.

Mr. KENNEDY. We had some testimony this morning that he——

Mr. MELI. Excuse me. He was at the laundry where we were having our clothes washed at one time, yes.

Mr. KENNEDY. What was he doing there?

Mr. MELI. I don't know. He was not there to see me.

Mr. KENNEDY. Is he a friend of yours?

Mr. MELI. Well, a friend? I know him from social affairs, and so forth.

Mr. KENNEDY. If he was not there to see you, why was he there?

Mr. MELI. I don't know.

Mr. KENNEDY. He just dropped in?

Mr. MELI. I don't know.

Mr. KENNEDY. Did you ask him what he wanted when he was there?

Mr. MELI. No.

Mr. KENNEDY. He just came in and looked around and you did not ask him any questions?

Mr. MELI. No. Why should I ask him?

Mr. KENNEDY. Well, he was there.

Mr. MELI. It was not my laundry.

Mr. KENNEDY. You were just there also?

Mr. MELI. Yes. This is the laundry where we were having our clothes washed, paying someone else to wash our clothes at the time.

Mr. KENNEDY. But was he ever actually in your building, where you were?

Mr. MELI. No.

Mr. KENNEDY. He never was there?

Mr. MELI. No, sir.

Mr. KENNEDY. How about Joe Bommarito? Was he ever in your place?

Mr. MELI. I know a couple of Joe Bommaritos slightly.

Mr. KENNEDY. The man known as Scarface.

Mr. MELI. No.

Mr. KENNEDY. He never was there?

Mr. MELI. No.

Mr. KENNEDY. We had some testimony that he was there.

Mr. MELI. He was? Well, not that I know of.

Mr. KENNEDY. You don't remember that?

Mr. MELI. I don't remember seeing him there.

Mr. KENNEDY. Do you know John Ormento?

Mr. MELI. Do I know John Ormento?

Mr. KENNEDY. Yes.

Mr. MELI. Yes.

Mr. KENNEDY. How do you know him?

Mr. MELI. Well, his son is now married to the sister of my sister-in-law.

The CHAIRMAN. Married to a sister of your sister-in-law?

Mr. MELI. My brother's wife is the sister of John Ormento's son.

I mean of his wife. Pardon me.

The CHAIRMAN. I believe that is untangled. Let's go ahead.

Mr. KENNEDY. How long have you known John Ormento, then?

Mr. MELI. I don't know. I met him a few years ago, I suppose.

Mr. KENNEDY. He attended the meeting at Apalachin. Did you discuss that matter with him at all?

Mr. MELI. No, sir.

Mr. KENNEDY. He is a fugitive from justice. Would you have any idea where he might be?

Mr. MELI. No, I don't know anything about that.

Mr. KENNEDY. Did you talk to him after the meeting at Apalachin?

Mr. MELI. Did I?

Mr. KENNEDY. Yes.

Mr. MELI. No, I have not seen him.

Mr. KENNEDY. Well, did you talk to him?

Mr. MELI. No, sir; no, I did not talk to him.

Mr. KENNEDY. On November 21, 1957, you did not put a call in to John Ormento?

Mr. MELI. November 21, 1957?

Mr. KENNEDY. Just a week after the meeting at Apalachin?

Mr. MELI. I don't know if I put a call into him. I remember that date. I put in a call to New York at that time.

Mr. KENNEDY. Who did you talk to there?

Mr. MELI. I talked to my sister-in-law's relatives.

Mr. KENNEDY. Your sister-in-law's relatives?

Mr. MELI. Yes, her parents. Well, as a matter of fact, I talked to her sister. That is who I talked to.

Mr. KENNEDY. Who is that?

Mr. MELI. Patsy is her name. Patricia.

Mr. KENNEDY. Patricia who?

Mr. MELI. Ormento now. She wasn't—yes, she was married at the time. Patricia Ormento.

Mr. KENNEDY. You called her from your office, did you?

Mr. MELI. From my office? I think I called her from home or from—I don't know, somewhere else. It wasn't my office.

Mr. KENNEDY. Do you call her very often?

Mr. MELI. No. That was the day my brother was killed in the service.

Mr. KENNEDY. November 21, 1957?

Mr. MELI. Yes, sir.

Mr. KENNEDY. You called her about that?

Mr. MELI. I called her about that.

Mr. KENNEDY. Do you know Sam Stanoza?

Mr. MELI. I know him, yes.

Mr. KENNEDY. How do you know him?

Mr. MELI. How?

Mr. KENNEDY. Yes.

Mr. MELI. How did I meet him? What do you mean?

Mr. KENNEDY. Yes.

Mr. MELI. I don't remember. Social affairs.

Mr. KENNEDY. What does he do?

Mr. MELI. I think he has kind of a bargain house, a discount store, whatever they call them. I am not sure.

Mr. KENNEDY. How long have you known him?

Mr. MELI. Several years that I can remember.

Mr. KENNEDY. You know, Mr. Meli, of no pressure that was applied to any accounts to give their business to your company?

Mr. MELI. I know of no pressure.

Mr. KENNEDY. And you do say that on occasion you do know of the fact that Mr. Kierdorf assisted Mr. Lehr in getting accounts for your company; is that right?

Mr. MELI. Well, as I understand it, he introduced him to—I don't know, a couple of people, I guess.

Mr. KENNEDY. Your company has been quite profitable, though, has it not?

Mr. MELI. Quite profitable.

Mr. KENNEDY. Yes.

Mr. MELI. Well, I guess that is a matter of opinion.

Mr. KENNEDY. The business has grown quite a bit since it started?

Mr. MELI. It has grown slowly.

Mr. KENNEDY. Do you have the figures on how much it has grown?

Mr. MELI. Do you mean—

Mr. KENNEDY. The gross business.

Mr. MELI. Well, I believe Mr. Salinger has them right now.

Mr. KENNEDY. Can we put those into the record?

The CHAIRMAN. They may be read into the record and ask the witness if they are accurate.

Mr. SALINGER. Partnership return of the Star Coverall Co. for the period September 30 to November 30, 1952.

The CHAIRMAN. What is the date?

Mr. SALINGER. September 30 to November 30, 1952. They only put in for 1 month, starting on a fiscal basis. Their gross receipts were \$2,652.97. For the following year, from December 1, 1952, to October 31, 1953, the gross receipts were \$67,899.

The CHAIRMAN. That would indicate, I assume, that the business just about doubled the first year.

Mr. SALINGER. Well, if you take that month.

The CHAIRMAN. That is, for an average month.

Mr. SALINGER. I would say at least doubled and maybe tripled.

The CHAIRMAN. It is over \$30,000 a year. It jumped the next year to \$67,000. It is about double.

Mr. MELI. Yes, sir.

That sounds about right.

The CHAIRMAN. That sounds about right. Let's get the next one.

Mr. SALINGER. In the year ending October 31, 1954, the business had increased to \$112,993. In the year ending October 31, 1955, it was \$156,514. Then there was a drastic drop in 1956, in the year ending October 31, 1956. The business showed a total of \$76,178. But in the year ending October 31, 1957, it jumped back up to \$211,641.

Mr. MELI. That does not sound right. Was there a change in the fiscal year at that time, or something?

Mr. KENNEDY. Well, was there?

Mr. MELI. Well, I don't know. I would have to see the figures.

The CHAIRMAN. Well, this would indicate in 1957, that part of the calendar year 1957, that is your fiscal year, that from 1956 you must have had a lot of good luck getting new business?

Mr. MELI. I wish we had more business.

The CHAIRMAN. I know you do, and nobody is questioning that. It is a very attractive figure here we are looking at, but we have also had some testimony about it that wasn't very attractive. That is what we are trying to find out. I don't envy anybody having success in business.

You have heard some testimony here today, if you have been here, that some of this business was procured by a little bit of pressure and a little bit of force?

Mr. MELI. That wasn't my impression.

The CHAIRMAN. You didn't get that impression?

Mr. MELI. I didn't get any impression there was any pressure.

The CHAIRMAN. You didn't?

Mr. MELI. No, sir.

The CHAIRMAN. You are about the only one who didn't.

Proceed.

Mr. SALINGER. Mr. Meli is right. It did not drop down in that year, and the return has been changed around. During the year ending October 31, 1956, the business had increased to \$185,353, and it has shown a steady increase.

The CHAIRMAN. One hundred and eighty-five thousand dollars and it has shown a steady increase, and that \$76,000 was in error?

Mr. SALINGER. That is right.

The CHAIRMAN. It started about \$32,000 a year, and it went to \$67,000, and \$112,000 and \$156,000 and \$185,000 and then \$211,000, in round numbers?

Mr. SALINGER. That is correct.

Mr. KENNEDY. Mr. Meli, do I understand you that you see nothing improper or wrong in the activities at least of Mr. Lehr that have been testified to here before the committee?

Mr. MELI. I know of no improper activities.

Mr. KENNEDY. Bringing the union's power in to obtain clients for you, and you see nothing wrong with that, Mr. Meli?

Mr. MELI. I don't know anything about it.

Mr. KENNEDY. Have you listened to the testimony here this morning?

Mr. MELI. I heard some of it. I wasn't here this morning.

Mr. KENNEDY. We have had 4 or 5 examples where the union has used its power in order to get clients for you, or in order to keep clients for you.

Mr. MELI. I don't know of any such thing.

Mr. KENNEDY. You would consider that certainly improper, would you not?

Mr. MELI. I would consider exactly what improper?

Mr. KENNEDY. That kind of activity, the union helping and assisting you in getting clients.

Mr. MELI. The union helping and assisting me?

Mr. KENNEDY. Yes.

Mr. MELI. I don't know. I guess I would consider that improper, yes.

Mr. KENNEDY. And you have known, have you not, that Mr. Kierdorf was making introductions for your partner, Mr. Lehr?

Mr. MELI. I know that much.

Mr. KENNEDY. You never felt that was improper?

Mr. MELI. Well, he wasn't a union making these introductions.

Mr. KENNEDY. He is a business agent for the union, is he not, and he is very close to Mr. James Hoffa?

Mr. MELI. I don't know.

The CHAIRMAN. Are there any other questions?

Senator CHURCH. I have just one question. Did I understand you to say, Mr. Meli, that this business of yours, that you regarded it as having grown gradually?

Mr. MELI. Yes, sir.

Senator CHURCH. Now, you have been in business since 1952, and the figures that have been put into the record here would indicate that the business has grown, in round figures, from around \$30,000 a year during the first year, to \$211,000 in 1957. That is roughly a sevenfold growth during the period of 5 years. Do you think that is gradual?

Mr. MELI. We started with no business, as a matter of fact.

Senator CHURCH. Yes, but your business as compared with the first year, in a 5-year period, has grown 7 times over.

Mr. MELI. I am happy about that and I wish it had grown faster.

Senator CHURCH. Is that your idea of a gradual growth? It seems like a healthy growth to me.

Mr. MELI. That is fine, and I am glad you consider it healthy.

Senator CHURCH. I would consider it very healthy. But you know of no activity on the part of anyone that would relate the union to this rate of growth of your business?

Mr. MELI. Relate to the union, no. I know of nothing.

Senator CHURCH. That is all.

Mr. KENNEDY. I asked you about where your father was. Do you know where your father-in-law is?

Mr. MELI. No.

Mr. KENNEDY. We are looking for him, also.

Mr. MELI. So I understand.

The CHAIRMAN. You are kind of like an abandoned child, aren't you?

Mr. MELI. Not at all, sir. I am not a child.

The CHAIRMAN. Is there anything further?

The committee will stand in recess until 10:30 tomorrow morning.

(Whereupon, at 4:05 p. m., the committee adjourned to reconvene at 10:30 a. m., Friday, August 1, 1958.)

INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

FRIDAY, AUGUST 1, 1958

UNITED STATES SENATE,
SELECT COMMITTEE ON IMPROPER ACTIVITIES
IN THE LABOR OR MANAGEMENT FIELD,
Washington, D. C.

The select committee met at 10:30 a. m., pursuant to Senate Resolution 74, agreed to January 30, 1957, in the caucus room, United States Senate, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Frank Church, Democrat, Idaho; Senator Irving M. Ives, Republican, New York; Senator Barry Goldwater, Republican, Arizona; Senator Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Pierre E. G. Salinger, investigator; James Mundie, investigator; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members of the select committee present at the convening of the session were: Senators McClellan, Ives, Church, and Curtis.)

The CHAIRMAN. Mr. Kennedy, call the next witness.

Mr. KENNEDY. Prior to calling the first witness, I want to put some information in the record. Yesterday I asked the witness, Mr. Meli, about a telephone call to John Ormento, and John Ormento being a leading gangster in the United States, and attended the meeting at Apalachin. He is now a fugitive from justice on a Bureau of Narcotics charge.

He stated at that time that the call that took place around the 20th of November 1957 concerned the death of his brother, who had just been killed, and that he called John Ormento or his family to discuss that. I would like to put the dates involved in that matter into the record, and call upon Mr. Salinger to do that.

The CHAIRMAN. Mr. Salinger has been previously sworn, and you may make a statement, Mr. Salinger.

TESTIMONY OF PIERRE E. SALINGER—Resumed

Mr. SALINGER. The toll call was made on November 21, 1957, from the Star Coverall Supply Co. to the residence of John Ormento, of New York City. Mr. Meli testified that was the day that his brother was killed in an airplane crash, and he explained that was the reason for the call.

However, we have checked the record, and his brother died on November 14, 1956, a year later.

The CHAIRMAN. Did we excuse that witness?

Mr. SALINGER. Yes, sir.

The CHAIRMAN. Well, we have so many characters like that before us. I thought if he was here we would interrogate him a little further about it.

All right, call the next witness.

Mr. KENNEDY. The first witness is Mr. Colton.

The CHAIRMAN. Mr. Colton, will you come around, please?

Do you solemnly swear that the evidence, given before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. COLTON. I do.

**TESTIMONY OF SOL R. COLTON, ACCOMPANIED BY HIS COUNSEL,
DAVID A. GOLDMAN**

The CHAIRMAN. Mr. Colton, state your name, and your place of residence, and your business or occupation, please, sir.

Mr. COLTON. My name is Sol R. Colton, and I am a resident of the city of Detroit, and my occupation is treasurer of the Domestic Line Supply Co., a Michigan corporation, also of Detroit.

The CHAIRMAN. Thank you very much. Do you have counsel present?

Mr. COLTON. Yes, sir; I do.

The CHAIRMAN. Please identify yourself for the record.

Mr. GOLDMAN. My name is David A. Goldman, attorney at law, with offices at 1770 National Building, Detroit, Mich.

The CHAIRMAN. All right, you may proceed.

Mr. SALINGER. Before I start questioning Mr. Colton, I might say that Mr. Colton has information on a number of matters which we have become interested in, in the Detroit area, in the linen and overall business but we are only going to question him this morning on the phases involving the overall business and we will have him come back for the linen business when we get into that phase of it a little later.

The CHAIRMAN. All right.

Mr. SALINGER. You are the owner of the Domestic Linen Co. in Detroit, Mich.?

Mr. COLTON. I am one of the owners.

Mr. SALINGER. And that company does business in the linen supply and in the overall supply industry, is that correct?

Mr. COLTON. That is correct, Mr. Salinger.

Mr. SALINGER. Now, sometime in the latter part of 1957, did some information come to your attention regarding the activities of the Star Coverall Supply Co., in one of the accounts you were servicing at that time?

Mr. COLTON. Yes, sir; it did.

Mr. SALINGER. Would you relate to the committee what that was, please?

Mr. COLTON. We had been servicing an account by the name of Dawson Taylor Chevrolet, located on Libernay and Grand River in the city of Detroit. Shortly after the agency had begun its business,

a strike was called on the part of the mechanical employees and our service was temporarily interrupted during the course of this strike.

Shortly after the resumption of business, when the picket lines were removed, we received a phone call from a friendly competitor advising us that we were going to lose the business that we enjoyed at this agency to a company by the name of the Star Coverall Supply. The same informant advised us that the change was made due to the influence of a teamster organizer by the name of Kierdorf.

Subsequent to this telephone call, we were notified that it was the intention of the customer to discontinue the use of our service and shortly thereafter our service was discontinued, but peculiarly enough rather than to the Star Coverall Co. the account was lost to the Dawson Industrial Coverall Supply.

The CHAIRMAN. You received a telephone call telling you you were going to lose the business before your customer ever discussed it with you?

Mr. COLTON. That is right, sir.

The CHAIRMAN. And from whom was that call?

Mr. COLTON. Mr. Tom Andres of the Clean Coverall Supply in the city of Detroit.

The CHAIRMAN. Did he give you any explanation as to how he knew you were going to lose the business?

Mr. COLTON. I did not receive the phone call myself, my sales manager, Mr. Rabette, received the phone call and relayed the information to me.

The CHAIRMAN. Do you recall or do you know whether he did give some reason for it at the time of the call?

Mr. COLTON. I don't quite understand, sir.

The CHAIRMAN. When Mr. Andres called your assistant and told him that your company was going to lose the business, did he at that time make any statement as to why it was or what was back of it?

Mr. COLTON. The intercession of Mr. Kierdorf was responsible for the loss of the account.

The CHAIRMAN. He told you at that time that Kierdorf was interceding and was going to take the account away from you?

Mr. COLTON. Yes, sir.

The CHAIRMAN. That is what I wanted to get clear. Proceed.

Mr. SALINGER. Actually when you did lose the business, you did not lose it to the Star Coverall Supply Co. but you lost it to the Dawson Industrial Laundry?

Mr. COLTON. That is correct.

The CHAIRMAN. May I inquire, is that Dawson the same woman that testified here yesterday who was going around or they were taking around trying to get other business?

Mr. SALINGER. We will develop that later, Senator.

The CHAIRMAN. That is a fact?

Mr. SALINGER. Yes.

Now, did other information come to your attention about the activities of Mr. Kierdorf on behalf of the Star Coverall Co.?

Mr. COLTON. Yes, and I don't have this at firsthand, but there is a rumor mill in Detroit as well as in other places, and it is my understanding that the Ford agency in Garden City by the name of the

Ellsworth Ford agency changed from its previous supplier to its present supplier also due to the intercession of Mr. Kierdorf.

However, my company was in no way involved.

Mr. SALINGER. Who was the supplier that took over the account at the Ralph Ellsworth Ford Co.?

Mr. COLTON. I believe the Star Coverall Co.

Mr. SALINGER. Whom did they take it from?

Mr. COLTON. The Dawson Industrial Coverall was supplying that account.

Mr. SALINGER. In this case, the Star Coverall took an account which belonged to the Dawson Industrial Laundry?

Mr. COLTON. Yes, sir.

Mr. SALINGER. Did you ever connect that to the situation at the Dawson Taylor Co. in your own mind?

Mr. COLTON. Not until I heard some of the evidence presented here, and I do have a conclusion or conjectures in that direction at the present time.

Mr. SALINGER. Now, after you got the information from Mr. Andres that you were going to lose the account at the Dawson Taylor Co., did you send Mr. Rabette over there to find out what it was all about?

Mr. COLTON. Yes, sir, I did. He spoke to a Mr. Knight, who was the general manager of the Dawson Taylor Chevrolet, and Mr. Knight stated that the only reason he was making the change to the Star Coverall was because he had previously been employed at the Louis F. Brown Ford agency, and in the course of his employment there he had made many sales to the Meli family, and that therefore he was under obligation to turn the business over to the Star Coverall Co., and at the same time he denied Kierdorf's intercession in the switching of the business.

Mr. SALINGER. Did he say he knew Kierdorf?

Mr. COLTON. He admitted having known him, because there was a picket line for about a month or so put out by the local of the Teamsters.

Mr. SALINGER. He had sold cars to Vincent Meli and his father, Angelo Meli?

Mr. COLTON. I don't know that, except he mentioned the Meli family.

Mr. SALINGER. Now, Mr. Colton, you have been associated with the linen and overall industry in Detroit for a number of years?

Mr. COLTON. Yes, sir; I have.

Mr. SALINGER. Has it come to your attention during those years that certain companies have had what you would consider racket backgrounds? Are there any companies that you felt had racket backgrounds?

Mr. COLTON. Yes, sir.

Mr. SALINGER. Do you remember a company called the Wayne Linen Co.?

Mr. COLTON. Yes, sir; I do.

Mr. SALINGER. Did you hear the name of Harry Fleischer connected with that company?

Mr. COLTON. Yes, sir.

Mr. SALINGER. Did you know Harry Fleischer to be a top member of the old Purple Mob in Detroit?

Mr. COLTON. I have no knowledge of that except what I have read in the newspapers, and I have never met the gentleman.

Mr. SALINGER. He is currently serving a penitentiary sentence in the State of Michigan?

Mr. COLTON. I believe that that is correct.

Mr. SALINGER. And the operations of the Klean Linen Co.?

Mr. COLTON. Yes, sir.

Mr. SALINGER. You understand Mr. Louis Riccardi was connected with that company?

Mr. COLTON. Yes, sir.

Mr. SALINGER. A man who had been very active in the rackets in Detroit for a number of years and arrested five times for murder?

Mr. COLTON. I have no personal knowledge of that except what I have read in the newspapers.

Mr. SALINGER. You knew Mr. Riccardi testified before the Kefauver committee; is that correct?

Mr. COLTON. I also read that in the papers.

Mr. SALINGER. Did you know about the existence of the Famous Linen Co.?

Mr. COLTON. Yes, sir.

Mr. SALINGER. Which was run by a man named Frank Barbaro?

Mr. COLTON. Yes, sir.

Mr. SALINGER. Did you know anything of Mr. Barbaro's reputation?

Mr. COLTON. Only what I read in the newspapers; and I don't know any of these gentlemen that you mentioned personally, with the exception of Louis Riccardi, in the course of business.

Mr. SALINGER. Mr. Barbaro operated a nightclub in Hamtramck called the Bowery, which was a meeting spot of all of the Detroit racketeers?

Mr. COLTON. I know that he operated the Bowery; yes, sir.

Mr. SALINGER. But the Bowery was generally accepted as a racket hangout in the Detroit area?

Mr. COLTON. I believe it was so reputed.

Mr. SALINGER. As I said, Mr. Chairman, we will have Mr. Colton back on some other material.

Senator CURTIS. May I ask a question there?

Now, this interference of Teamsters officials to direct the place where you do business for uniforms and laundries; when did that occur, and during what months of what year did you say?

Mr. COLTON. You have reference, Senator, to the case involving the Dawson Taylor Chevrolet Co.

Senator CURTIS. Any one of them that you have testified to and you are familiar with.

Mr. COLTON. I have only testified to that one.

Senator CURTIS. That is the one, and I wasn't sure of the name.

Mr. COLTON. That happened within the past 6 months.

Senator CURTIS. Within the past 6 months?

Mr. COLTON. Yes, sir.

Senator CURTIS. In other words, you may not know that, but, so far as the committee is concerned, that is since the Teamsters Union have been under investigation by this committee and, also, in their parent organization.

Mr. COLTON. I believe that is so, sir.

Senator CURTIS. It was testified yesterday by one motor dealer, or garage operator, that this item of uniforms and laundry went around

\$400 a month in his garage. Would you mind telling me or telling the committee how big an item it amounts to, approximately?

Mr. COLTON. Senator, I am a supplier, and I don't operate a garage.

Senator CURTIS. But I mean for the garage you testified about.

Mr. COLTON. Generally, the charges that go to make up the cost of the coverall service to an agency are based on a per-man charge. That is the number of suits that each man agrees to rent by contract per week, and that determines the charge. The average weekly charge per man is in the area of \$4 per week, so that, in order for there to be a \$400 account based upon that average, there would be 25 men employed to approximate \$400 per month.

Senator CURTIS. What I am getting at: In the greater Detroit area this is a sizable industry, isn't it?

Mr. COLTON. Yes, sir; I would hazard a guess that the total volume of business done would be somewhere in the neighborhood of \$20 million annually in the Detroit area in the State of Michigan.

Senator CURTIS. \$20 million?

Mr. COLTON. Yes, sir.

Senator CURTIS. That is all.

Senator CHURCH. Mr. Colton, would you tell me a little bit more about the picketing that I understood you to say was going on at the Dawson Taylor Chevrolet Co.? Did that go on for a month's time?

Mr. COLTON. In order to explain that, I have to give you a little background. This same location that is now being operated as Dawson Taylor Chevrolet was formerly called the John Homer Chevrolet Co.

The Dawson Taylor agency took over the location, the establishment of the John Homer Chevrolet. Within 30 days after they took over the operation of that agency, a strike was called. The place was shut down completely for a period of 30 days or possibly 6 weeks. At the conclusion of the strike, the shop was reopened—that is, the agency was reopened—and immediately after its reopening we were notified that our services were to be terminated.

(At this point, the following members were present: Senators McClellan, Ives, Church, and Curtis.)

Senator CHURCH. That clears it up for me. I understand from counsel that the next witness will be Mr. Dawson Taylor, of the Dawson Taylor Co. I think he can give us, in even more detail, that situation. Thank you.

The CHAIRMAN. Are there any further questions? Are there any other questions? If not, thank you very much.

Mr. COLTON. Thank you.

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Dawson Taylor and Mr. Hanley Taylor, Mr. Chairman.

The CHAIRMAN. Be sworn, gentlemen. Do you and each of you solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. DAWSON TAYLOR. I do.

Mr. HANLEY TAYLOR. I do.

TESTIMONY OF HANLEY TAYLOR AND DAWSON TAYLOR

The CHAIRMAN. Beginning on my left, will you state your name, your place of residence, and your business or occupation?

Mr. HANLEY TAYLOR. My name is Hanley Taylor, president of Taylor's Motor Sales, Inc., Detroit, Mich., a Michigan corporation. My residence address is 18085 Birchcrest Drive. I might add, also, Senator, that Taylor's Motor Sales, Inc., owns two subsidiary corporations, Taylor's on Van Dyke, Inc., and Taylor's on Grand River, Inc., at different locations.

The CHAIRMAN. Thank you very much.

Mr. DAWSON TAYLOR. My name is Dawson Taylor. I am an attorney at law, as well as being an automobile dealer. I am the owner of Dawson Taylor Chevrolet Co., Detroit, Mich. My residence is in Detroit, Mich.

The CHAIRMAN. Gentlemen, you waive counsel, of course?

Mr. DAWSON TAYLOR. We do.

Mr. HANLEY TAYLOR. We do.

Mr. KENNEDY. Mr. Dawson Taylor, how long have you been in the Chevrolet business, approximately?

Mr. DAWSON TAYLOR. On May 1, last year, I made a deal with the interests of the Don Homer family to buy the Don Homer Chevrolet Co.

Mr. KENNEDY. Formerly, you had been in business with your brother?

Mr. DAWSON TAYLOR. Yes, sir.

Mr. KENNEDY. And you broke away and started your own?

Mr. DAWSON TAYLOR. Yes, sir.

Mr. KENNEDY. Were you approached, shortly after you started in the Chevrolet business, about having your employees organized?

Mr. DAWSON TAYLOR. No, sir; I was not.

Mr. KENNEDY. Did the Teamsters contact you?

Mr. DAWSON TAYLOR. No, sir; they did not. I would like to explain the method of contact.

Mr. KENNEDY. You heard from the Teamsters?

Mr. DAWSON TAYLOR. It is kind of an unusual situation. I opened the business on the 17th, as I recall it, of May, a 2-week period interval for inventory between the 1st and 17th of May. I did not know whether or not the service business would remain good. I took over a number of employees of the Don Homer Chevrolet Co., the service department of, maybe, 30 or 40 employees. Since the business had not been successful, it had gone out of business; it was really a question in my mind whether the business would be profitable, whether it would be sensible to continue to operate the service department.

After about 10 days of operation, it was apparent that the service business was not going to be profitable, and I intended to close it down to a very small force for the rest of the summer. The Chevrolet car was not selling very well a year ago, if you remember, and it looked as though it was a smart thing to do. I was next told—I was sent a telegram by the Teamsters, but I did not receive the telegram, because I was out of town. The Teamsters sent a telegram requesting my recognition of the employees in my shop.

I never had an employee approach me and make a demand on me, saying, "I am unhappy with my work conditions" or nothing else. It was nothing more, in my opinion, than a realization by the Teamsters that there was unrest there and a chance to organize this automobile dealership.

Mr. KENNEDY. That was received on June 1; is that right?

Mr. DAWSON TAYLOR. Yes, sir. I was out of town at that time at a convention.

Mr. KENNEDY. The telegram was from Eddie Petroff, of the Teamsters?

Mr. DAWSON TAYLOR. Yes, sir.

Mr. KENNEDY. And, shortly afterward, did they put picket lines in front of your place of business?

Mr. DAWSON TAYLOR. Yes, sir; they did.

Mr. KENNEDY. On June 5; is that right?

Mr. DAWSON TAYLOR. Yes, sir.

The CHAIRMAN. Were any of your employees in that picket line?

Mr. DAWSON TAYLOR. Yes, sir; there were, for a while.

Mr. KENNEDY. You were completely separate from your brother at that time?

Mr. DAWSON TAYLOR. I am, sir; I had to show General Motors that that was so before they would allow me to have the General Motors franchise.

Mr. KENNEDY. Is it a fact that the teamsters also picketed your brother's place of business?

Mr. DAWSON TAYLOR. Yes, sir.

Mr. KENNEDY. Did your brother have anything to do with this dispute whatsoever?

Mr. DAWSON TAYLOR. None whatsoever.

Mr. KENNEDY. Did you have anything to do with this dispute?

Mr. HANLEY TAYLOR. None whatsoever.

Mr. KENNEDY. Did they put pickets in front of your place of business?

Mr. HANLEY TAYLOR. Yes, sir.

Mr. KENNEDY. How many pickets?

Mr. HANLEY TAYLOR. This is about 3 weeks after the strike started at my brother's location. They saw they weren't getting anywhere with him, so they decided to picket our Livernois location, a very large location in Detroit.

I would say there were about 30 pickets put around this particular building and driveways. After about 3 or 4 days, they went down to our Grand River operation and also picketed 2 stores down there. They had, probably, 15 pickets at that location. Both of these operations are located in Wayne County. We also have a third location, which, as I said, was Taylor's on Van Dyke, which is in Macomb County, just outside the county line.

They went out there and picketed that location for about an hour. We were endeavoring to find out as to why the picketing was so short in the Macomb County operation, and it came to us that the Macomb County courts were very much harder on injunctions, in issuing injunctions; they are easier to get in Macomb County than in Wayne.

Mr. KENNEDY. You did not have any part in this dispute; you were completely apart from it, and yet they were picketing three of your

stores. Couldn't you go and get an injunction in the court in Wayne County?

MR. HANLEY TAYLOR. As soon as I saw these pickets out in front, I called our attorney, Mr. Charles Rooney, and asked him what could be done, because I heard a rumor that we were going to be picketed. He told me that it would be practically impossible to get an injunction in Wayne County, because of the political situation.

He said "You might just as well save yourselves a lot of money and put up with the aggravation."

MR. KENNEDY. You mean you just had to accept this picketing where you had absolutely nothing to do with this dispute whatsoever?

MR. HANLEY TAYLOR. Absolutely nothing. As a matter of fact, we have a very, very strong employees' association of our own. It belongs to our employees. It has been under Michigan charter since 1946. The union has made several attempts during the past to organize them and they have not gotten anywhere at all. They knew better than to try to organize us at this state. To this minute I have not met any of the organizers. I hardly know them by sight.

MR. KENNEDY. They never approached you?

MR. HANLEY TAYLOR. Never.

MR. KENNEDY. You say in the other county you could get a court injunction?

MR. HANLEY TAYLOR. Yes.

MR. KENNEDY. So they stopped that immediately?

MR. HANLEY TAYLOR. That is right. We were ready to go into the Macomb County court and get an injunction. We could have gotten it in a half hour or so, because we were assured. It was entirely illegal.

MR. KENNEDY. Would you say this is a political situation?

MR. HANLEY TAYLOR. I would. The Detroit Police Department bent over backward, however, in helping us, but their hands were tied.

MR. KENNEDY. Did they try to stop your trucks from coming in?

MR. HANLEY TAYLOR. That was the thing that really affected us the most. We do a terrific amount of truck business, and all of the trucks were stopped, as they tried to cross into our garage.

Their numbers were taken and the drivers were abused verbally.

The result was that we just did not do any truck business at all. Also, we receive all of our new automobiles from the Chrysler Corp. by truck. The first load of cars that came in on the first morning of the strike, or of the pickets rather, was stopped right in its tracks and sent back and the driver told that if he dropped those cars off anywhere along the way, that serious repercussions would occur.

MR. KENNEDY. What did you do? You had to send the men----

MR. HANLEY TAYLOR. That is right. We had to send our salesmen over and drive these cars back after 5 and 6 o'clock at night, because it seemed that the pickets did not like the hot weather in Detroit and they left about 5 or 6 o'clock every afternoon.

MR. KENNEDY. None of your employees so far as you know had even been approached?

MR. HANLEY TAYLOR. None whatsoever.

MR. KENNEDY. And none had voted to go out on strike?

MR. HANLEY TAYLOR. None.

Mr. KENNEDY. Mr. Hoffa, when he testified before the committee last year, said that whenever they call a strike in Detroit, it is always taken up by the membership and the membership votes on it, and that they are not the kind of a union that calls strikes and just arbitrarily walks out. You say they were not even consulted in this case?

Mr. HANLEY TAYLOR. None whatsoever, Mr. Kennedy.

The CHAIRMAN. In this instance, you had no members among your employees to consult about a strike?

Mr. HANLEY TAYLOR. That is correct, Senator.

The CHAIRMAN. I wonder if workers in other places would presume to vote to picket your place.

Mr. HANLEY TAYLOR. Well, Senator, going back to April, which was before this other fracas, it looked to us as though there was a union member at our Van Dyke location. We did not know at the time he had signed up joining the association of Taylor's, and he just did not perform his work satisfactorily, and the shop foreman discharged him. The union wanted to have a hearing before the association, Taylor's Motor Sales Association. They did hold the meeting of our employees' association. His discharge was upheld by the association. That was the only time that the union ever had any contact with any of our employees. At that point—

The CHAIRMAN. This even goes beyond what they were doing to you, it goes beyond organizational picketing. They were not trying to organize your plant.

Mr. HANLEY TAYLOR. That is true, Senator.

The CHAIRMAN. They were picketing your place in an attempt to coerce your brother in connection with his business and the relation of his employees.

Mr. HANLEY TAYLOR. Senator, that is absolutely right. We are well known in our Detroit, and our advertising slogan is "You Are Tops With the Taylor Family." We have been in the automobile business for 45 years.

My father started in 1914. We are very closely knit. They figured by putting the pressure on me, I would merely call my brother, Dawson, and say "Look, let's get this thing over with," but it didn't work that way.

The CHAIRMAN. Senator Curtis.

Senator CURTIS. I have listened with interest here as you recite this. In a sense, it is a secondary boycott because in simple language a secondary boycott is when the union carries their contest to neutral third persons who may be doing business with the primary employer. We have many instances of that. We have situations where perhaps there will be labor difficulties in a radio station and every business that advertises over the radio station may be threatened with pickets if they don't stop advertising there. But in this case, you were not even doing business with your brother.

Mr. HANLEY TAYLOR. That is right.

Senator CURTIS. It was a secondary boycott of a neutral relative.

Mr. HANLEY TAYLOR. Senator, it was just the family relationship and nothing else.

Senator CURTIS. Yes. I agree with the late Senator Taft who said that there never has been a good or justifiable secondary project. In other words, the problem between union and management should be one that should be determined in lawful manner between the em-

ployees involved and the employer involved, and certainly not carried to other people, and to the public generally. Of course, in this case even your brother's place did not have the direct, legitimate and usual union problem.

Mr. HANLEY TAYLOR. That is right.

Senator CURTIS. I want you to tell us for the record what are some of the unfair aspects and damages that accrue when a business is boycotted. Are there customers that either do not want to come in or do not come in, or at least they feel timid about it?

Mr. HANLEY TAYLOR. Senator, I think that, in answering your question, an awful lot has to do with the prestige and the advertising and the background of the company that is being picketed, and, of course, naturally, the kind of business they are in.

In our particular business, as you realize, we do business with the public. We have two extremes in this situation. One is that all of our commercial business stopped right in its tracks because they are scared stiff of the Teamsters. It is understandable.

Mr. KENNEDY. The commercial business, in other words, was run by people who could be directly hurt by Teamsters boycotting their own business activities.

Mr. HANLEY TAYLOR. That is correct. And it is understandable because everybody that drives a truck is a member of the Teamsters, I presume, unless they own their own vehicle, and we do business with large fleet accounts, and, naturally, they don't want to take a chance of doing business with a company that has labor disputes at all. Of course, as soon as they saw the pickets, they naturally assumed that we had labor trouble, which we did not have. Going into the sales aspect of it, it is a very peculiar thing, but the public in Detroit reacted very favorably toward our sales.

We figured that the sales would completely disappear. As a matter of fact, we had telephone call after telephone call saying "We have known you people for years. You don't have any labor trouble, do you?"

Of course, we went on to explain. We sold automobiles right though the pickets. But, of course, there again the public was not interested—well, they were interested in getting the best deal they could on their car.

Mr. KENNEDY. Yes. But so far as service is concerned, in addition to your commercial customers, there are a few people who, regardless of where their sympathies might lie, are going to avoid a picket line rather than be embarrassed.

Mr. HANLEY TAYLOR. That is right. As a matter of fact, we sent out and brought in these trucks after hours with our own drivers to accommodate our customers and take care of them on our night shift, so that they would have their transportation taken care of. I might say that our building is such—there are very few buildings in Detroit that can accommodate large trucks. They had to come into our place. The fact that they would not let them in, in several instances the trucks just broke down.

Mr. KENNEDY. Then, of course, there is the point that you already mentioned, that it stops the flow of delivered merchandise.

Mr. HANLEY TAYLOR. Right in its tracks. What they would do is take the number on the side of the truck, the driver's name and the

license number of the truck, and threatened them with serious repercussions and the suspension, I suppose, of his card or something.

Senator CURTIS. I certainly agree with you on the seriousness of this. When these contests are taken to neutral third persons, and where you have no union trouble, no dispute, at all, but to accomplish something someplace else, they do this damage to your business.

In my opinion, neither the law nor its administration should tolerate it for 1 minute. One of your competitors could not do those things, could he?

Mr. HANLEY TAYLOR. That is right.

(At this point, Senator Ives withdrew from the hearing room.)

Senator CURTIS. We just would not permit a competitor to stop the flow of merchandise into a place of business or to harass or to embarrass customers, or to cause economic damage if they didn't comply. One of the very foundation stones in our government of law is the principle of equality before the law, that people should have equal rights. The union should have no right to carry on the secondary boycotts or related activities whatever. It just can't be justified in our American ideals.

Senator CHURCH. Mr. Chairman?

The CHAIRMAN. Senator Church.

Senator CHURCH. Mr. Taylor, I would like to ask you 2 or 3 questions about the problem you have been describing.

Mr. HANLEY TAYLOR. Surely, Senator.

Senator CHURCH. Was there any possibility that the fact that both you and your brother are both in the automobile business and the family had been known to be in the automobile business for a number of years in that area, which might have led to the union in this case to conclude that they were dealing with the same employer, so to speak?

I would like to have your opinion on that question first.

Mr. HANLEY TAYLOR. I am sure that that was one of the reasons that they had, Senator; that they figured that they could not conceive of the two of us breaking away. After all, my brother got out of the service in 1946. We have been in business together ever since. They could not conceive that it was possible. They did not ask anybody. They did not try to find out, they just blandly went right in.

Mr. KENNEDY. They presumed they were dealing with the same employer in your case as with your brother?

Mr. HANLEY TAYLOR. That is right. If Mr. Kierdorf had been up and aboveboard about it, he would have come in and introduced himself and said, "Mr. Taylor, I would like to see your minute book."

Mr. KENNEDY. That leads me to the second question. During the time the pickets were picketing your place of business, did you have any communication at all from the union or any explanation as to why the pickets were there, or any demands made upon you for organizing in these places that were being picketed?

Mr. HANLEY TAYLOR. Senator, not a word. To this moment, I have not met any of the members of the union. Because of the experience that I related in April, I am sure that they saw how our employees felt about us. We have employees that have been with us for years and years and years.

Mr. KENNEDY. With reference to your employees' association, is that what you might describe as a company union? Is it an independent—

Mr. HANLEY TAYLOR. It is completely independent and under their own charter.

Mr. KENNEDY. But are they affiliated with any of the AFL or CIO groups?

Mr. HANLEY TAYLOR. No, Senator; they are not.

Mr. KENNEDY. In that sense they are independent?

Mr. HANLEY TAYLOR. That is right.

Mr. KENNEDY. This association—is it just as large as your employees within your own business or does it extend further?

Mr. HANLEY TAYLOR. It just takes care of our own employees. As a matter of fact, there are some of our own employees that don't belong to it because they did not see fit to pay the dues.

Mr. KENNEDY. I see. But in the sense that it just applies to your own employees, it is a company union—

Mr. HANLEY TAYLOR. The three corporations that I mentioned.

Mr. KENNEDY. Your three corporations.

Mr. HANLEY TAYLOR. That is right. It has nothing to do with the Dawson Taylor Chevrolet.

Mr. KENNEDY. How long did this picketing go on that you described?

Mr. HANLEY TAYLOR. I would say it was over 2 periods, a 3-week period in June and then again the end of July for about 10 days.

Mr. KENNEDY. At a 3-week period in June and then it went into July for about 10 days. So all told it went on for about a month's time?

Mr. HANLEY TAYLOR. Yes; it did. During this time, we also have two entrances to our salesroom, and they did everything they could to keep the customers from coming in. They would intimidate them and say, "You would not buy a car from anyone who had labor trouble." They didn't say we were on strike. The signs said we were unfair to organized labor, not on strike.

Mr. KENNEDY. I take it from what you said that none of your own employees had anything to do with these pickets, and did not participate in any way in the picket line?

Mr. HANLEY TAYLOR. Absolutely not.

Mr. KENNEDY. I am interested in your testimony with respect to the advice given you by your attorney when you called and asked what to do about it.

He said in effect that it would be futile to ask for an injunction. I would surmise, as an attorney, that if the facts of the case were to be found as you have related them, that the likelihood would be under the governing law in Michigan that you would be entitled to an injunction.

This is a curbstone opinion, but that would be my surmise, as an attorney. Since the integrity of the law depends upon the integrity of the courts, which is indispensable to the administration of justice, and our courts have always been regarded as sacrosanct, the charge that the courts of Wayne County would not respond in such a situation and grant the applicant his rights under the law is very serious.

I am just wondering whether you know of any instances where efforts have been made and injunctions denied, or whether you know of

any instances in Wayne County where injunctions have been granted by the courts.

Mr. HANLEY TAYLOR. Well, Senator, I would say this: That there have been numerous instances that I have heard about. I don't recall the names. But, anyway, the different counsel that we have been in contact with all have the same opinion. It wasn't one man. My brother and myself are very well known in Wayne County. We know several attorneys and they all threw up their hands and said, "Well, you are right. There is no use spending a lot of money going into these courts."

Mr. KENNEDY. Do you know of any case in Wayne County comparable to yours where an injunction has been granted by the Wayne County courts?

Mr. HANLEY TAYLOR. No, sir. We were hoping for that. We thought we could set the precedent, but our counsel could not find anything at all that would set that precedent. He also said at the same time that he thought it would be a good idea if we kept a diary of all these instances that occurred as we went along with the labor trouble. The committee has that diary.

Mr. KENNEDY. Tell me, are the judges in the State courts—I assume you are thinking about dealing in the State courts——

Mr. HANLEY TAYLOR. That is correct.

Mr. KENNEDY. Are they appointed or elected?

Mr. HANLEY TAYLOR. They are both elected and appointed. We have had several appointees, because we have had some deaths lately.

Mr. KENNEDY. But in normal procedures, they are elected people, elected by the people of Wayne County?

Mr. HANLEY TAYLOR. Yes, sir.

Mr. KENNEDY. Thank you.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. I will direct this primarily at the attorney brother. In the election of judges in Michigan, they are elected on a non-partisan designation on the ballot, is that correct?

Mr. DAWSON TAYLOR. Yes, sir; that is correct.

Senator CURTIS. Do you happen to know whether it is a practice of unions in Michigan to endorse judges in the election campaigns?

Mr. DAWSON TAYLOR. I know that is so, Senator; yes.

Senator CURTIS. It is done by a number of the unions?

Mr. DAWSON TAYLOR. Yes, sir; it is.

Senator CURTIS. I recall that my investigation shows that the UAW endorsed judges and campaigned in many instances quite vigorously for them, even though they are on the nonpartisan ballot and even though they occupy judicial positions. Does that conform with your knowledge of the situation?

Mr. DAWSON TAYLOR. Yes, sir.

That is correct.

Senator CURTIS. That is also true with school officials, isn't it?

Mr. DAWSON TAYLOR. Do you mean that the union endorses——

Senator CURTIS. That the elected school officials, the unions endorse?

Mr. DAWSON TAYLOR. Yes, sir; they do.

Senator CURTIS. And that likewise is nonpartisan?

Mr. DAWSON TAYLOR. I believe so.

Senator CURTIS. That is all.

Senator CHURCH. May I ask one more question, Mr. Chairman?

In connection with the practice of endorsing candidates, let us say in Wayne County, are either of you acquainted with the practices of the Teamsters' Union? That is to say, does the Teamsters Union endorse candidates for the judgeship offices in Wayne County?

Mr. HANLEY TAYLOR. I would not know that.

Senator CHURCH. Mr. Dawson Taylor, do you know whether or not it is the practice of the Teamsters Union to endorse—

Mr. DAWSON TAYLOR. I am afraid I don't know anything more than I read in the newspapers and that is that they have come out strenuously through their memberships.

Senator CHURCH. Have you read in the newspapers notices or advertisements to the effect that the Teamsters are endorsing certain candidates in the election and thus giving public notice through the newspaper to the public that they are doing that?

Mr. DAWSON TAYLOR. I don't recall in particular having seen Teamster advertisements or anything like that.

Senator CHURCH. So neither one of you could testify as of your own knowledge that this is a practice of the Teamsters Union?

Mr. DAWSON TAYLOR. No, sir.

Mr. HANLEY TAYLOR. No; we could not.

Mr. KENNEDY. I might say, Senator, that we know it to be a fact. In looking through the books and records of the Teamsters locals, including Mr. Hoffa's 299 in Detroit, we have found that they contribute a considerable amount of money to certain of their candidates.

Senator CHURCH. Make campaign contributions to candidates standing for election to judgeships?

Mr. KENNEDY. Including judges, that is correct.

The CHAIRMAN. Did you ascertain whether these contributions were made out of treasury funds, union funds, or out of a voluntary fund, where donations had been received?

Mr. KENNEDY. They are out of union funds.

The CHAIRMAN. I think that should be cleared up. Personally, I have no objection to anybody soliciting money to help a poor candidate running for office. I don't think they have a right to take it out of union treasuries and splash it around.

Senator CURTIS. Mr. Chairman, at that point, I think there are a number of States that have no prohibition against—and, of course, these judges are not Federal officials—

The CHAIRMAN. There is no Federal law at present, as I recall, against them making a contribution to candidates for State offices out of union treasuries.

Senator CURTIS. Only here, here is one country boy who refuses to admit they can raise that much money by voluntary collection. We have never been able to do it in any other sphere.

The CHAIRMAN. Well, they put it in a voluntary category, but I have been a little suspicious at times that it was not all voluntary from the standpoint of the contributor, even though it is kept in a voluntary fund. But this, I understand, what we are talking about here, has no pretense of voluntary at all, but came out of the union treasury.

Mr. KENNEDY. That is right.

Mr. Hanley Taylor, I would like to finish up now. You were approached, were you not, by an individual from the Nathan W. Shefferman office about settling the strike?

Mr. HANLEY TAYLOR. Mr. Kennedy, I was approached by an individual, but I did not know with whom he was associated. I happened to know that Mr. Fawkes—

Mr. KENNEDY. What was his name?

Mr. HANLEY TAYLOR. Mr. Robert "Scotty" Fawkes.

Mr. KENNEDY. F-a-w-k-e-s?

Mr. HANLEY TAYLOR. I believe that is right. I had known Mr. Fawkes for 20 years or so, he had been friendly with the family, had bought cars from us, and so forth. About 2 days after the pickets appeared in front of our place, Scotty came in to see me. I had only seen him once or twice in the last few years.

He asked me if I would like to get rid of the pickets. I said I sure would, and by this time I was fit to be fried anyway, I guess.

But he said, "Well, maybe I can take care of it."

I had heard rumbles of what he was doing. I had heard he was doing labor relations of some way. He made a telephone call from my phone and talked to a "George." I never did know what the last name of the man was.

Mr. KENNEDY. He didn't identify him as George Kamenow?

Mr. HANLEY TAYLOR. He didn't. He just called him George on the phone and wanted to set up an appointment for me for that afternoon. This was about 10 o'clock in the morning. I dodged the issue until I could get my feet on the ground and find out where we were going, because it was happening too fast. I immediately called my counsel, and Mr. Rooney said, "Hanley, if you have anything to do with that man, get another attorney," and that was enough for me.

Mr. KENNEDY. What did he say would happen, if you had something to do with him?

Mr. HANLEY TAYLOR. Well, he said that he would get off the case immediately.

Mr. KENNEDY. What did he say about him?

Mr. HANLEY TAYLOR. I don't understand you, Mr. Kennedy.

Mr. KENNEDY. What did he say about him?

Mr. HANLEY TAYLOR. About Mr. Fawkes?

Mr. KENNEDY. Yes. Did he indicate what would happen?

Mr. HANLEY TAYLOR. He said "You will be able to get rid of the pickets, but it will be an awfully high price you will pay for it."

Mr. KENNEDY. Did he say that there might be an investigation of Mr. Fawkes some time?

Mr. HANLEY TAYLOR. As I recall; yes, he did, he did not say who would investigate, but he said "Some day this will come to light."

Mr. KENNEDY. Could you tell us?

Mr. HANLEY TAYLOR. Well, he merely said that this kind of tactics in the labor field would have to come to light.

Mr. KENNEDY. And that you would end up—

Mr. HANLEY TAYLOR. Yes; and that I would end up in the soup with the rest of them.

Mr. KENNEDY. And be testifying in Washington?

Mr. HANLEY TAYLOR. Yes; that is right.

Mr. KENNEDY. When Mr. Fawkes came in to you, did he say that this kind of service would just cost how much money?

Mr. HANLEY TAYLOR. I got the impression it was merely being an old friend of mine that he would take care of us and it was merely a service.

Mr. KENNEDY. Did he indicate to you that he had been able to perform the same kind of service for others?

Mr. HANLEY TAYLOR. Yes. He told me that point, that that was his business, that he was settling strikes.

Mr. KENNEDY. Did he name any other company that he settled a strike for?

Mr. HANLEY TAYLOR. Yes. I believe that he said he settled the Charlie Olds strike.

Mr. KENNEDY. Mr. Chairman, the Charlie's Oldsmobile strike was a strike settled under very suspicious circumstances. The union had organized the employees, and the employees had voted to belong to the union. Then the Shefferman Agency, where Mr. Fawkes is an employee, came in, and Mr. Kierdorf, who had organized the employees, walked away and never signed a contract. It is something we developed here in testimony last year.

Did you know that Mr. Fawkes worked directly for George Kamenow?

Mr. HANLEY TAYLOR. No; I did not. I had completely lost track of Scotty.

Mr. KENNEDY. Did you ever hear of the relationship between George Kamenow and Mr. Hoffa?

Mr. HANLEY TAYLOR. No; I had not.

Mr. KENNEDY. Do you know how close they became?

Mr. HANLEY TAYLOR. Later on during the summer, I read in the newspapers—I believe it was in this committee in the newspapers. That was the only knowledge I had.

Mr. KENNEDY. But were you convinced that if you paid this money, made this arrangement, that the pickets would be removed?

Mr. HANLEY TAYLOR. Yes; I was.

Scotty told me that he knew the men out in the picket line. I believe their names were Petroff and Kierdorf.

Mr. KENNEDY. He said he knew both Petroff and Kierdorf?

Mr. HANLEY TAYLOR. Yes; and said "I will have them removed right away."

Mr. KENNEDY. Mr. Dawson Taylor, there were acts of violence during the course of the strike; were there not?

Mr. HANLEY TAYLOR. Yes, there were.

Mr. KENNEDY. Did you have any conversation with Mr. Kierdorf himself?

Mr. DAWSON TAYLOR. No, sir. I never met Mr. Kierdorf or Mr. Petroff. I saw them walking in the picket line. I never met them until we finally got down to a discussion of my recognition of the union as representing the employees. That happened about 5 or 6 weeks after the beginning of the strike.

Mr. KENNEDY. What steps did you take to get the pickets removed?

Mr. DAWSON TAYLOR. Well, the pickets——

Mr. KENNEDY. Just briefly.

Mr. DAWSON TAYLOR. Yes. The pickets became union organizers only within about a week, because the employees, I am convinced, were convinced of my sincerity in closing that shop. They could see that I was sincere on it.

Mr. KENNEDY. I am sure——

Mr. DAWSON TAYLOR. So the pickets were only union organizers until a fellow named Al Vignali came into my office trying to act as a mediator, to try and settle the strike.

The first thing he did was say "I will pull the pickets off right now."

Mr. KENNEDY. Prior to that time, hadn't the pickets left for a short period of time?

Mr. DAWSON TAYLOR. I truthfully can't say, and I don't know.

Mr. KENNEDY. On Friday, June 21, had you made arrangements to sue Mr. Hoffa?

Mr. DAWSON TAYLOR. Yes; I believe so.

Mr. KENNEDY. Didn't you notify the Teamsters that you were going to bring suit against him?

Mr. DAWSON TAYLOR. Well, these negotiations had been carried on by Mr. Roney who was my attorney and he handled it.

Mr. KENNEDY. There is a note here on your book that you were going to make arrangements for subpoenaing Mr. Hoffa. That is at 10 o'clock in the morning and at 11:30 in the morning the strike was called off.

Mr. DAWSON TAYLOR. We sued them over what we thought and claimed was an illegal strike.

Mr. KENNEDY. They, however, did send the pickets back at a later time?

Mr. DAWSON TAYLOR. Yes, sir; they did.

Mr. KENNEDY. And ultimately the picket line went away, did it?

Mr. DAWSON TAYLOR. When I agreed to sit down and talk to Mr. Kierdorf and Petroff.

Mr. KENNEDY. Was the question of an overall contract for your cleaning and overalls ever discussed with you?

Mr. DAWSON TAYLOR. No, sir; it never was.

Mr. KENNEDY. Was there any discussions in October of 1957 about that matter?

Mr. DAWSON TAYLOR. In October of 1957, this was probably 6 weeks after my strike had been settled, and it had been settled by my merely recognizing the union or agreeing to recognize the union as representing my employees, but I did refuse to rehire the old Homer employees.

About 6 weeks later Mr. Kierdorf came into my office or came into my agency, and since Mr. Clifford Knight, who is my general manager, had handled all of my problems with the union, he was a big burly fellow and a tough fellow and I felt better having him as a front man against the Teamsters than myself, and I had him talk to Mr. Kierdorf.

Mr. KENNEDY. Could you tell us what happened?

Mr. DAWSON TAYLOR. The upshot of this meeting between Kierdorf and Knight was that Mr. Knight came to me and said that he would suggest we switch our linen contract to Star, I believe Star Coverall, and I truthfully don't even know the name of it, but it was whatever was the name of it, and I found out later on it was the name of it.

About 2 weeks later I was signing some checks, paying the bills, and I found I was paying a bill to Dawson Industrial Laundry.

Mr. KENNEDY. Let me understand this. Herman Kierdorf, the business agent for Mr. Hoffa's Joint Council 43, came in and had this conversation with you, and you referred him to your general manager, is that right?

Mr. DAWSON TAYLOR. Yes, sir.

Mr. KENNEDY. Your general manager then related to you that Mr. Kierdorf suggested that you shift your overall business?

Mr. DAWSON TAYLOR. That is right.

Mr. KENNEDY. And give it to Dawson or Star?

Mr. DAWSON TAYLOR. Give it to Star.

Mr. KENNEDY. Now, did he also relate to you that Mr. Kierdorf said that you would have no more difficulty with the union?

Mr. DAWSON TAYLOR. The statement or the impression that was given to me at that time was by Knight himself. He said in his opinion by so doing we would have no more trouble with the union.

Mr. KENNEDY. And you understood that you were going to switch to Star, but then you found about 2 weeks later that actually you were giving your overall business to Dawson?

Mr. DAWSON TAYLOR. That is correct.

Mr. KENNEDY. Dawson Industrial Laundry?

Mr. DAWSON TAYLOR. Yes, sir.

Mr. KENNEDY. Now, you signed a recognition agreement that you spoke about earlier with the union, and with the understanding that you would make terms of the contract at a later time; is that correct?

Mr. DAWSON TAYLOR. Yes, sir; that is right.

Mr. KENNEDY. The contract was signed on the 22d of August, but you were to sign a contract with the union by the 1st of December 1957; is that right?

Mr. DAWSON TAYLOR. We had agreed to sit down and discuss a contract.

Mr. KENNEDY. It was agreed by and between the company and the local union that on or about the 1st day of December they will meet for the purpose of discussing and negotiating a formal contract containing all other terms and conditions?

Mr. DAWSON TAYLOR. That is right.

Mr. KENNEDY. In between the time that this agreement was signed, the 22d of August, and the 1st of December, Mr. Kierdorf came into your office?

Mr. DAWSON TAYLOR. That is right.

Mr. KENNEDY. And it was then that the switch was made, or supposedly, to Star Coverall but in fact to the Dawson Industrial Laundry?

Mr. DAWSON TAYLOR. That is correct.

Mr. KENNEDY. And did he ever come back then to discuss the terms of the contract?

Mr. DAWSON TAYLOR. Probably a form letter of the Teamsters was sent to Mr. Roney, that is a 90-day interval there, and Mr. Petroff called Mr. Roney, and Mr. Roney just stalled them off. It was before Christmas and business was bad, and they expected to have good business then, and so Mr. Roney merely stalled them off and said, "We are not prepared to sit down and discuss it," and we didn't hear any more about it.

Mr. KENNEDY. The union never pressed it?

Mr. DAWSON TAYLOR. No, sir.

Mr. KENNEDY. And Kierdorf, from what was related to you in the conversation with the general manager, it was indicated that, if you switched your laundry business, you would have no more difficulty or trouble with the union?

Mr. DAWSON TAYLOR. That is correct.

The CHAIRMAN. Let me present you this copy of this recognition agreement and have you identify it, please, sir.

(A document was handed to the witness.)

Mr. DAWSON TAYLOR. This is correct, sir; this is my signature.

The CHAIRMAN. It may be made exhibit No. 8 for reference.

(Document referred to was marked "Exhibit No. 8" for reference and may be found in the files of the select committee.)

Senator CHURCH. Mr. Taylor, I take it that your employees at your establishment are still members of the Teamsters Union, is that correct, by virtue of the recognition agreement that you entered into in August?

Mr. DAWSON TAYLOR. The part of the recognition agreement that is my agreement to recognize the union included a proviso that I did not have to rehire the old Homer employees. The reason they went out of business was because the old Homer employees were bad employees and they were not productive and not good workers.

Senator CHURCH. I understand that, but, with regard to your employees that are now working for you, have they been members of the union since August 22?

Mr. DAWSON TAYLOR. I believe that about four are the original crew who first paid their initiation to the Teamsters when the Teamsters tried the organizational strike. They have never paid, or I am confident they have never paid, their dues since then, and they are strongly antagonistic to the Teamsters now. They are not Teamsters other than the fact that they are on their books as having originally signed that.

Senator CHURCH. What about your other employees besides the four that were there?

Mr. DAWSON TAYLOR. They are not members of any union, as far as I know.

Senator CHURCH. They are not paying dues, so far as you know, to this union?

Mr. DAWSON TAYLOR. No.

Senator CHURCH. And the four who were there at the time of this recognition agreement are no longer, to your knowledge, paying dues?

Mr. DAWSON TAYLOR. That is right.

Senator CHURCH. Since the recognition agreement was entered into, you have never negotiated with the union with regard to wages or working conditions or working hours for the employees?

Mr. DAWSON TAYLOR. No, sir.

Senator CHURCH. Mr. Kennedy, may I ask a question about Mr. Fawkes? I am not quite clear as to just who Mr. Fawkes was, and what his identity was.

Mr. KENNEDY. He worked for the Shefferman organization, and he worked out of Michigan under Mr. George Kamenow. Mr. Kamenow was Mr. Shefferman's representative in Michigan, and we developed some cases in Michigan regarding the Shefferman organization and Mr. Kamenow last year, and Mr. Kamenow appeared before the committee and took the fifth amendment. We will be going into Mr. Kamenow's relationship with Mr. Hoffa, himself, later on during this month.

Senator CHURCH. Mr. Hanley Taylor, may I ask you: when Mr. Fawkes came to you, and you were having your difficulty and indi-

cated that he could settle it, did he give to you the terms or the way he would settle it, or what was the proposal that he made?

Mr. HANLEY TAYLOR. It was more or less on a friendly, personal basis, and there wasn't any proposition made, or he didn't do anything that I thought was out of line at all. He just said, "I will get rid of these guys for you," and that is what it amounted to, and he said, "It won't cost you much."

Senator CHURCH. Did it cost you anything?

Mr. HANLEY TAYLOR. Not a cent, because after that I called my attorney, and he said, "Nothing doing."

Senator CHURCH. You had no further dealings with Mr. Fawkes?

Mr. HANLEY TAYLOR. No.

Senator CHURCH. Did he have any further proposal to offer with regard to how much it was going to cost?

Mr. HANLEY TAYLOR. He called me once or twice within the next 24-hour period.

Senator CHURCH. You had no more dealings with him, and it wasn't because of his intervention or anything he did, so far as you know, that these pickets were later removed?

Mr. HANLEY TAYLOR. They went on for 2 or 3 weeks after that; the pickets stayed out in front.

Senator CHURCH. Thank you.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. That is all.

The CHAIRMAN. The committee thanks you very much, and I may say to you that, so far as we are able to do so, we will try to keep an eye on this situation and follow developments, if any, with interest, and we invite your continued cooperation.

Mr. DAWSON TAYLOR. Thank you, Senator.

Mr. HANLEY TAYLOR. Thank you, Senator.

Mr. KENNEDY. Mrs. Nancy Dawson.

The CHAIRMAN. Mrs. Dawson, will you come around, please? Will you be sworn, please?

Do you solemnly swear that the evidence given before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mrs. DAWSON. I do.

TESTIMONY OF MRS. NANCY DAWSON

The CHAIRMAN. Will you state your name, your place of residence, and your present business or employment, please?

Mrs. DAWSON. My name is Nancy Dawson, and I live in Detroit, Mich., and I am president of the Dawson Industrial Laundry.

The CHAIRMAN. Thank you very much. Will you pull the microphone a little closer to you, so we will be able to hear you? May I inquire, do you waive counsel?

Mrs. DAWSON. Yes, sir.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Mrs. Dawson, you are owner of the Dawson Industrial Laundry?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. How long have you been in the industrial-laundry business?

Mrs. DAWSON. Well, I have my own company since October of 1956.

Mr. KENNEDY. How long have you actually been working in the business or interested in the business?

Mrs. DAWSON. Approximately 4 years.

Mr. KENNEDY. Mrs. Dawson, prior to coming here to testify, did you receive any threats of any kind regarding your testimony?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. Would you relate to the committee when you first received a threat and from whom?

Mrs. DAWSON. Well, it was a Wednesday afternoon in July, and I can't remember the exact date, but about the 16th, I believe. I was at home, and it was late in the afternoon, and my secretary called me from the office, and she was quite upset, and she said she had a telephone message for me that she didn't understand, and I asked her to read it to me over the telephone.

As I remember the substance of the conversation, it was Hoffa, of the Teamsters, called, "If you keep your mouth shut there won't be any trouble," or something to that effect, or very close to that.

The CHAIRMAN. Who is your secretary?

Mrs. DAWSON. Virginia Slepak.

The CHAIRMAN. Did she at the time make a notation of this telephone call and the message she was instructed to give you?

Mrs. DAWSON. Yes, sir, on the normal telephone pad, as we keep messages.

The CHAIRMAN. Have you seen that message?

Mrs. DAWSON. Yes, sir.

The CHAIRMAN. Her notes?

Mrs. DAWSON. Yes, sir.

The CHAIRMAN. Could you identify them? I will ask you to examine this memorandum that I present to you and state if you identify it, please.

(A document was handed to the witness.)

Mrs. DAWSON. Yes, sir; that is the message.

The CHAIRMAN. Do you recognize the handwriting on that telephone slip?

Mrs. DAWSON. Yes, sir.

The CHAIRMAN. Is that the handwriting of your secretary whom you have just identified?

Mrs. DAWSON. Yes, sir.

The CHAIRMAN. This telephone slip and the notation thereon will be made exhibit No. 9, and it may be printed in the record as read. It is brief.

(Document referred to was marked "Exhibit No. 9" for reference, and will be found in the appendix on p. 13271.)

The CHAIRMAN. The Chair will read the message: The date is July 9, 1958, 1:50 p. m.

Message: Tell Mrs. Dawson to keep her mouth shut and all will be all right. There will be no trouble. Signed, Virginia Slepak.

Is that correct?

Mrs. DAWSON. Yes, sir.

The CHAIRMAN. Thank you very much. Did that message upset you any?

Mrs. DAWSON. A little.

The CHAIRMAN. Was that the only one you received?

Mrs. DAWSON. No, sir.

The CHAIRMAN. Tell us about the next one.

Mrs. DAWSON. Well, exactly a week later, on a Wednesday—

The CHAIRMAN. Exactly a week later?

Mrs. DAWSON. Yes, on a Wednesday and, I believe, approximately the same time of day, Mrs. Slepak had another message, and I don't believe there was any actual name identifying that message, and the message stated it was from one of my competitors.

The CHAIRMAN. It was from one of your competitors?

Mr. DAWSON. Yes, sir.

The CHAIRMAN. On this other one, I notice that your secretary made this notation, and after the word "from" it says "from Teamsters, Mr. Hoffa."

Mrs. DAWSON. Yes, sir.

The CHAIRMAN. So whoever was calling was calling for the Teamsters?

Mrs. DAWSON. Well, that is what the message states.

The CHAIRMAN. Was it Mr. Hoffa himself who called; do you know?

Mrs. DAWSON. Well, I don't know, and I wasn't in the office.

The CHAIRMAN. But, at any rate, she spontaneously, writing it down, and taking the message, and who the call was from, made a notation: "Teamsters, Mr. Hoffa."

Mrs. DAWSON. Well, she related it to me, and, as she wrote it on the telephone message, she said, "Hoffa, of the Teamsters."

The CHAIRMAN. Hoffa, of the Teamsters?

Mrs. DAWSON. Yes, sir.

The CHAIRMAN. Now, you say you received another message in a similar way?

Mrs. DAWSON. Yes, sir.

The CHAIRMAN. Did your secretary make a notation of that call?

Mrs. DAWSON. Yes, sir.

The CHAIRMAN. Could you identify her writing again?

Mrs. DAWSON. Yes, sir; I think I can.

The CHAIRMAN. I hand you here what purports to be a message to Mrs. Dawson, dated July 16, 1958, and the time is 1 p. m. I will ask you to examine this telephone slip and state if you identify this and if you identify the handwriting thereon.

(A document was handed to the witness.)

Mrs. DAWSON. Yes, sir; that is the message as she gave it to me when I came into the office.

The CHAIRMAN. This one will be made exhibit No. 10, and it will be printed in the record at this point.

(Document referred to was marked "Exhibit No. 10" for reference and may be found in the appendix on p. 13271.)

The CHAIRMAN. I am going to ask counsel to read that message into the record, and it may be printed accurately in full; but just for our information at the moment, let counsel read it.

Mr. KENNEDY. It is to Mrs. Dawson, dated July 16, 1958; time, 1 p. m.:

Message: Not a threat. Do not want this trouble. Telling you to be careful. Don't want anything to happen to her or her family. Please leave us alone. Know she has been seeing Salinger. (Would not give name; just one of the

competitors in the business.) Everything was fine until she came into the business. We have seen her with that little dago Salinger. Don't know if she is going bankrupt, but we all have families to feed. This is not meant to be a threat, but please tell her.

The CHAIRMAN. Notwithstanding it says "Not meant to be a threat," how could you interpret it otherwise?

Mrs. DAWSON. I don't think that there is any other interpretation possible.

The CHAIRMAN. You accepted it as a threat?

Mrs. DAWSON. Yes.

The CHAIRMAN. As you did the first message?

Mrs. DAWSON. Yes, sir.

The CHAIRMAN. I don't know what other information you are going to give us, but I think the American people, all of them, particularly the womanhood of this country, should applaud you for having the courage to come here. If this Government isn't big enough to protect you, God save the country.

Proceed.

Mr. KENNEDY. Now, you also received another threat, did you?

Mrs. DAWSON. I am confused now.

Mr. KENNEDY. Did you have a conversation with an individual that you know in Detroit, and did he relate to you a message?

Mrs. DAWSON. Yes.

Mr. KENNEDY. Would you tell the committee about that?

Mrs. DAWSON. Well, he told me that someone had visited him and in the course of the conversation had remarked that it was too bad that Mrs. Dawson was a good-looking woman and it would be a shame to ruin her. That is to ruin her appearance, or something of that nature.

Mr. KENNEDY. Was that after discussing the fact that you might be testifying before the committee or in contact with the committee?

Mrs. DAWSON. Yes; that I was under subpoena.

The CHAIRMAN. Was that subsequent to these messages or before?

Mrs. DAWSON. No; it was after those messages.

The CHAIRMAN. Subsequent to these messages, these telephone messages?

Mrs. DAWSON. Yes.

(At this point, the following were present: Senators McClellan, Church, Mundt, and Curtis.)

The CHAIRMAN. I have conferred with counsel about it, but I am not going to ask you to give the name publicly of the man who brought you that message. I am sure you have given it to us.

Mrs. DAWSON. Yes, sir.

The CHAIRMAN. I don't think we will put it on the record at this time.

Mr. KENNEDY. There is a fourth matter involving threats, Mr. Chairman, which we will bring out and develop in the course of the testimony.

The CHAIRMAN. All right.

Mr. KENNEDY. I would like to now get into the overall business. Could you tell us a little bit about your company, Mrs. Dawson?

Mrs. DAWSON. Do you mean what kind of company it is?

Mr. KENNEDY. Yes. What do you do?

Mrs. DAWSON. Well, we rent work clothes. That is, coveralls, shirts, and pants to men, and we rent them to them. We deliver them clean, pick the soiled up, wash them, press them, repair them, and, of course, return them for a certain fee each week.

Mr. KENNEDY. During the course of 1957, in approximately September of 1957, were you contacted by the Ellsworth Ford Co.?

Mrs. DAWSON. Yes, sir; I was.

Mr. KENNEDY. Had you been servicing the Ellsworth Ford Co.?

Mrs. DAWSON. Yes, sir; I was.

Mr. KENNEDY. Did you have a conversation with them at that time?

Mrs. DAWSON. Yes.

Mr. KENNEDY. Would you relate what they said?

Mrs. DAWSON. Mr. Ellsworth, Jr., called me and asked me if I would come out, that he wanted to talk to me. I asked him if there was any trouble with the account or anything that was upsetting in the service, or anything like that, and he said no, he just wanted to talk to me. I believe it was a Friday afternoon, in September. I drove out to see him. While I was talking to him, he said, "Nancy, I am sorry, but I am afraid I am going to have to change laundry suppliers."

I was quite shocked about it, because he had already told me that he was very satisfied with the service, that everything was fine. I said, "Why?"

He said certain—I believe he used the word—pressures, or business things, had come up and he was going to be forced to change the account. He would not give me any additional information.

I was extremely upset about it. I asked him the name of the company that he was going to give the account to, and he told me.

Mr. KENNEDY. What company did he tell you?

Mrs. DAWSON. Star Coverall.

Mr. KENNEDY. Did he tell you anything about the ownership or did you discuss the ownership at that time?

Mrs. DAWSON. No.

Mr. KENNEDY. Had you known who owned Star Coverall?

Mrs. DAWSON. Yes; I did.

Mr. KENNEDY. And that was Mr. Vincent Meli?

Mrs. DAWSON. Mr. Meli and Mr. Lehr and another gentleman.

Mr. KENNEDY. Mr. Eisenberg?

Mrs. DAWSON. Yes. That is the man.

Mr. KENNEDY. Did you know anything about the background of Mr. Meli?

Mrs. DAWSON. Well, nothing really definite. I mean just the things we have heard. Of course, I did know who Mr. Meli's father was, and I did know that his reputation was not the best.

Mr. KENNEDY. Mr. Angelo Meli?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. Is that all he told you at that time?

Mrs. DAWSON. That was just about all. I mean, as a saleswoman, naturally I try to do everything I could to talk to try to keep the account, but I did not seem to be able to make any headway with him at that particular time.

Mr. KENNEDY. Shortly afterward, were you contacted by the Dawson Taylor Co., Mr. Dawson Taylor?

Mrs. DAWSON. Well, yes; that was sometime in October. I can't actually remember whether I called Mr. Taylor or whether he called me, because I did business with them in their Livernois store, and we have always been quite friendly. I have known them for a good number of years, and I talk to them quite often. During the course of the conversation, we discussed the overall business a little.

Mr. KENNEDY. Prior to going into that conversation, I would like to ask you whether you sent a telegram to the Star Coverall?

Mrs. DAWSON. I certainly did.

Mr. KENNEDY. After they took the account of Ellsworth Ford Co.?

Mrs. DAWSON. Yes.

Mr. KENNEDY. Is that right?

Mrs. DAWSON. Well, no; it was not afterward.

Mr. KENNEDY. Well, during the period of time that you heard they were going to.

Mrs. DAWSON. Yes, I did; because I had a contract with the Ellsworth Ford Co., and I wanted to be very certain that Star realized that there was a contract in force there at that time.

The CHAIRMAN. I hand you what purports to be a copy of the telegram dated September 23, 1957. I ask you to examine it and state if this is a copy of the telegram that you have just testified about.

(The document was handed to the witness.)

Mrs. DAWSON. Yes, sir; this is the telegram that I sent.

The CHAIRMAN. It may be made exhibit No. 11.

(The document referred to was marked "Exhibit No. 11" for reference and will be found in the appendix on p. 13272.)

The CHAIRMAN. Mr. Counsel, read it into the record.

Mr. KENNEDY (reading) :

Star Coverall Supply Co.: This is to advise you that this corporation has a contract with Ralph Ellsworth Ford, Inc., to furnish to it industrial garment supplies, which is in full force and effect, and that we will hold your company liable for any action taken on your part to cause or tend to cause a breach of such contract by Ralph Ellsworth Ford, Inc.

It is signed "Dawson Industrial Laundry." Is that correct?

Mrs. DAWSON. Yes.

Mr. KENNEDY. So you had this conversation with Mr. Ellsworth, and then you were contacted by Dawson Taylor or somebody from that company; is that right?

Mrs. DAWSON. Well, I was talking to Dawson Taylor on the telephone; yes.

Mr. KENNEDY. Did he relate anything to you?

Mrs. DAWSON. Well, he told me that he had been contacted by a gentleman named Mr. Kierdorf.

Mr. KENNEDY. Kierdorf?

Mrs. DAWSON. Yes.

Mr. KENNEDY. Mr. Herman Kierdorf?

Mrs. DAWSON. I had not heard of him before. I did not know who he was. I asked Dawson who he was. I said, "How do you spell his name?"

I didn't understand it when he told me over the telephone. Then he identified him as, I believe he said, a business agent for the Teamsters Union.

Mr. KENNEDY. For the joint council?

Mrs. DAWSON. Well, at that time I didn't know anything about the joint council.

Mr. KENNEDY. Did he identify him as—

Mrs. DAWSON. He identified him as a business agent for the Teamsters Union.

Mr. KENNEDY. He said he had been contacted by Mr. Kierdorf?

Mrs. DAWSON. That he had been contacted by Mr. Kierdorf.

Mr. KENNEDY. And anyone else?

Mrs. DAWSON. Well, he simply told me that Mr. Kierdorf had suggested that the overall business for the Grand River Chevrolet store that Mr. Taylor had recently purchased be given to the Star Coverall Co.

Mr. KENNEDY. Did he indicate that it was pointed out to him that his company would have continued union trouble unless they turned over the business to Star Coverall?

Mrs. DAWSON. As I understand it, it was not quite that way. It was simply that he would not have any trouble if this favor were granted.

Mr. KENNEDY. Was Joseph Lehr, Joe Lehr, mentioned at that time, do you remember?

Mrs. DAWSON. I believe his name was mentioned; yes.

Mr. KENNEDY. Then did you make a contact with an individual who was a close personal friend of Angelo Meli?

Mrs. DAWSON. Yes, sir; I did.

Mr. KENNEDY. And you asked them to intercede for you?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. Shortly after you made that contact, did you receive a message from Mr. Joe Lehr?

Mrs. DAWSON. Yes. I talked to Mr. Lehr on the telephone. At that time we made an appointment to meet and discuss our problems. This was prior to the time that the Star Coverall Co. took the Ellsworth account from me. It had been discussed but they had not taken the account.

Mr. KENNEDY. So that we get that straight, when you talked to Ralph Ellsworth, he just told you that the plans were that he was going to do that.

Mrs. DAWSON. Yes.

Mr. KENNEDY. Actually, they did not get the account until some time later; is that right?

Mrs. DAWSON. Well, they were going to get it right away, and I did intercede enough so that they agreed to let me keep it for a short time.

Mr. KENNEDY. So that was still in the air?

Mrs. DAWSON. Yes; it was still in the offing.

Mr. KENNEDY. So Mr. Lehr contacted you. Could you tell us whether you met with Mr. Lehr personally?

Mrs. DAWSON. Yes, sir; I did. I had lunch with him.

Mr. KENNEDY. When was this?

Mrs. DAWSON. Well, it was a Wednesday, and it was either the latter part of September or the early part of October. I don't remember the exact date.

Mr. KENNEDY. Could you tell us what you discussed at that time, please?

Mrs. DAWSON. Well, of course, I tried to talk Mr. Lehr out of taking the account from me, and at that time he had received my telegram.

He kind of laughed at it. I had also, by the way, informed the Ellsworth people that I had sent the telegram to Mr. Lehr.

He told me that he was going to take the account. I asked him not to, repeatedly. I don't remember the exact conversation, but he said something about, well, somebody had interceded for him and he had to save face, he could not back out of something now. And anyway, he had already purchased the garments and had the account, as we say, stocked, so he was ready to deliver it.

He made a tentative promise that he would return the account to me or he would get me enough business to equal what I had lost.

Mr. KENNEDY. During this conversation, was Angelo Meli's name mentioned?

Mrs. DAWSON. Yes. Mr. Lehr did mention Mr. Meli, and he mentioned that he was a very close friend of his and a very fine person who had done a great deal to help him.

Mr. KENNEDY. That Mr. Meli had done a great deal for the company?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. Did he also mention Mr. Herman Kierdorf?

Mrs. DAWSON. Well, he referred to a gentleman by the name of "Doc," and I did not know who he was talking about. I asked him who he was, and he mentioned Mr. Kierdorf. That was the second time that I had heard the name.

Mr. KENNEDY. What did he say his relationship was with Mr. Kierdorf?

Mrs. DAWSON. Well, that they were very close friends. Then he showed me a card he had with Mr. Kierdorf's name on it. That was the first time, to be perfectly honest with you, that I realized there was any connection. Honestly, I didn't even know there was anything like a joint council that existed. I am sorry to say.

Mr. KENNEDY. Did he suggest that you meet with Mr. Kierdorf then?

Mrs. DAWSON. Yes, sir; he did.

Mr. KENNEDY. Did you meet with Kierdorf?

Mrs. DAWSON. No, sir; I did not.

Mr. KENNEDY. You refused to meet with him at that time?

Mrs. DAWSON. No; that was on a Wednesday and Mr. Lehr suggested that I have lunch with he and Mr. Kierdorf on Friday. I told him I did not know, that I would have to think about it. The following evening, Mr. Lehr called me and I told him that I did not want to meet with him, that I did not think I should.

(At this point, Senator Curtis withdrew from the hearing room.)

Mr. KENNEDY. When Mr. Lehr called you later, did he discuss with you the Ellsworth account?

Mrs. DAWSON. Well, he simply told me that Mr. Kierdorf told him that he should not take the account.

Mr. KENNEDY. That he should not take the Ellsworth account. Was this because of the conversation you had had with the friend of Angelo Meli?

Mrs. DAWSON. Well, of course, I really don't know why he said it. He just made that statement.

Mr. KENNEDY. Did he say he was going to make it up to you in some other way?

Mrs. DAWSON. At that time he didn't actually tell me whether he was or was not going to take the account. But shortly after that, he visited my office and told me he was going to take it, and he asked me if I was going to sue him if he did take it.

Mr. KENNEDY. What did you tell him?

Mrs. DAWSON. I told him if he returned the equal portion of business to me that I would not; and if he did not that I would.

Mr. KENNEDY. During this period of time, did you have a conversation with somebody from the Dawson Taylor Chevrolet Co. about the situation there?

Mrs. DAWSON. Yes, sir; I had talked to Dawson on the telephone.

Mr. KENNEDY. Is that the conversation you related to us already?

Mrs. DAWSON. Yes.

Mr. KENNEDY. Did you have any further conversations with anyone?

Mrs. DAWSON. Yes. I went to see Dawson, because when he first took the Chevrolet agency, he told me that anytime he was able to, he would try and give me his coverall business. He didn't make a definite commitment, but he did tell me that he would consider me.

Mr. KENNEDY. The Dawson Taylor Co. had been served by the Domestic Linen Co.; is that right?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. Did you talk to anybody from the Domestic Linen Co. that told you they were losing this account to Dawson Taylor?

Mrs. DAWSON. No, sir; not at that time.

Mr. KENNEDY. Did you subsequently?

Mrs. DAWSON. Yes, sir; afterward I did.

Mr. KENNEDY. Would you relate what happened?

Mrs. DAWSON. I went in to call on Mr. Taylor and he took me in to Mr. Knight, who was his general manager. I was familiar with Mr. Knight. I had met him before. I had serviced an account that he formerly had been with. We discussed the overall business. As I remember, Mr. Taylor had been out of town. He had been away for maybe 4 or 5 days and had just gotten back that morning. He was quite busy, but he did come in to the office for a few minutes, and he again related the instance about the contact from Mr. Kierdorf. He did leave the room. I just can't remember exactly when, but Mr. Knight and I were talking about the overall business and he told me that it was simply a coincidence that Mr. Kierdorf had happened to make that call, because he had been familiar with the Star Coverall Co. from another agency where he had been a manager, and that he had told them they could have the account, and that they had measured the account but had never delivered it. He didn't know why. He said for some reason that he did not explain that he was a little angry with the Domestic Linen people and that they were not going to have the account regardless of who had it. Then he called on the telephone to find out whether or not he was going to deliver the garments.

I don't know what Mr. Lehr's side of the conversation was, because I was in the office and I only heard the one side, and he told him that I was in his office and that I wanted the account. I think he questioned him to find out whether or not he was going to deliver it.

Then he said, "Mr. Lehr would like to speak to you, Mrs. Dawson," and he gave me the telephone. Do you want me to go into that conversation?

Mr. KENNEDY. Just briefly, if you would.

Mrs. DAWSON. Mr. Lehr said, "I just fixed it up for you; Mr. Knight is going to give you that account."

He said, "You see, I am going to make it even with you" or something like that, "for the Ellsworth account."

I said, "No, I am sorry, Joe, that just does not hold water with me, because I have known the Taylors a long, long time, and Dawson always promised me that if he ever made a change, he would give me the account."

That was the end of the conversation and they did give me the account at that time.

Mr. KENNEDY. They did?

Mrs. DAWSON. Yes.

Mr. KENNEDY. Had you talked with anybody from the Domestic Linen Co. about their losing the account?

Mr. DAWSON. Not until after that. Then I had a phone call from Mr. Rabitte, who, I believe, is sales manager.

Mr. KENNEDY. R-a-b-i-t-t-e?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. What happened?

Mrs. DAWSON. He wanted to make some kind of a peaceful agreement with me. He was very angry that I was taking the Dawson Taylor account, but he also said that he could understand and that he could not fight it. But he said because of the friendship there he said, "I just don't understand. We knew that Star was going to take the account, that they were going to do that the same way they took the Ellsworth account from you."

I said, "What do you mean?"

He didn't go completely into an explanation, but he said, "Well, we could stop Mr. Kierdorf," and I said, "How? And if you wanted to help me, why didn't you stop what was going on at Ellsworth?"

He laughed and said, "Well, Mr. Kierdorf isn't the biggest person in the Teamsters."

Mr. KENNEDY. But he knew it had been done in the same way as you lost the Ellsworth account?

Mrs. DAWSON. Well, that is what he said.

Mr. KENNEDY. And he indicated that he thought he was going to lose this account in the same manner and was surprised that you ended up with the account?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. Evidently Mr. Lehr had given permission or had told the sales manager that it was all right for you to take the Dawson Taylor account?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. Did you talk to Mr. Joseph Lehr after that? Did you meet again with him?

Mrs. DAWSON. Yes, sir; I did.

Mr. KENNEDY. That was when?

Mrs. DAWSON. Well, he stopped in my office one morning, one day.

Mr. KENNEDY. Was that November 1?

Mrs. DAWSON. Yes; it was; a Friday, shortly after lunch, or normal lunch time, but I had not had a chance to get out to get anything to eat yet. He said he wanted me to make a call with him on an account. I told him I was just going out to get some coffee, so he went with me.

Mr. KENNEDY. Would you relate what happened?

Mrs. DAWSON. Well, we went out. We went to a restaurant and I had a sandwich and some coffee and we talked for a while. Then he told me he was going to take me over to an account that he would be able to help me get, and that this would more or less be in retaliation or in payment for the Ellsworth account.

Mr. KENNEDY. So did he take you any place then?

Mrs. DAWSON. Yes, sir. He took me to a Chevrolet dealership on Jefferson.

Mr. KENNEDY. Jefferson Chevrolet Co.?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. He took you in to see Ray Tessmer; did he?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. What did he say to Mr. Tessmer?

Mrs. DAWSON. Well, I don't believe Mr. Lehr had ever met Mr. Tessmer before.

Mr. KENNEDY. You knew Mr. Tessmer but Mr. Lehr did not?

Mrs. DAWSON. I knew him casually for a number of years.

Mr. KENNEDY. But he did not know him?

Mrs. DAWSON. I introduced him.

Mr. KENNEDY. But he was the one who said you should go to Jefferson Chevrolet?

Mrs. DAWSON. He took me over there.

Mr. KENNEDY. What did Mr. Lehr say when he met Mr. Tessmer?

Mrs. DAWSON. First there was a little casual conversation and then we went to Mr. Tessmer's office. The two of them were talking. I did not hear all of the conversation, but Mr. Lehr said "Ernie contacted me and told me that I should talk to you"; and he made some reference to some problem which was unidentified at that point. But then Mr. Tessmer reached over on his desk and took a telegram and turned it around and showed it to Mr. Lehr. All I could tell you about the telegram was that it was signed by Mr. Petroff.

Mr. KENNEDY. Mr. Chairman, that is the telegram that we introduced yesterday, the telegram from the union saying that they were going to organize Mr. Tessmer's company.

Mr. Lehr, when he came in, said "Ernie Grissom called," is that right?

Mrs. DAWSON. Well, he said "Ernie contacted you. I am Joe Lehr."

Then he mentioned another Chevrolet dealer and said something about—I don't know whether he used the word "intercede," but that was the substance of it.

Mr. KENNEDY. Did he indicate to him that he thought that he, Lehr, could help him out in this matter?

Mrs. DAWSON. Well, more or less. He said that he thought he could straighten it out. Mr. Tessmer was extremely angry over what happened, and I really don't know what happened.

Mr. KENNEDY. Did he say "Ernie had me contact you. He thought I could help you"?

Mrs. DAWSON. More or less; yes.

Mr. KENNEDY. Did he say he was a good friend of anyone?

Mrs. DAWSON. Well, he told Mr. Tessmer that he was a good friend of Mr. Grissom and also that Mr. Kierdorf was worried that if Mr. Tessmer did not cooperate with them while they were trying to quiet down—

Mr. KENNEDY. Did he indicate he was a good friend of Kierdorf, also?

Mrs. DAWSON. Well, he spoke of him by his nickname. He called him "Doc."

Mr. KENNEDY. What did he say, "I am a good friend of Doc"?

Mrs. DAWSON. Well, he said he was a friend of Mr. Grissom and Mr. Kierdorf, but he did not use their last names.

He used "Ernie" and "Doc."

Mr. KENNEDY. Did he say anything about the fact that the Teamsters wanted these employees?

Mrs. DAWSON. Yes, he did. He told Mr. Tessmer he would have to cooperate, that they would do everything they could to help him, but they did not want this account to go to another union, and if he did not cooperate in some way it was very likely the employees would petition in another union.

Mr. KENNEDY. The UAW?

Mrs. DAWSON. I believe that was mentioned.

Mr. KENNEDY. Mr. Chairman, we will not be able to complete this examination.

The CHAIRMAN. We wish to thank you.

Counsel tells me that it would unduly extend the morning session if we waited until the conclusion of your testimony.

We will have to recess at this time.

The committee will stand in recess until 2 o'clock this afternoon.

(Whereupon, at 12:13 a recess was taken until 2 p. m. of the same day. At this point, the following members were present: Senators McClellan, Church, and Mundt.)

AFTERNOON SESSION

(At this point, members of the committee present were Senators McClellan, Ervin, and Church.)

The CHAIRMAN. The committee will be in order.

Will Mrs. Dawson resume the witness stand?

TESTIMONY OF MRS. NANCY DAWSON—Resumed

The CHAIRMAN. All right, Mr. Kennedy, proceed.

Mr. KENNEDY. Mrs. Dawson, we were talking this morning about the situation at Ray Tessmer's; is that right?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. Jefferson Chevrolet?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. And you said that Mr. Lehr and you went to visit Ray Tessmer, and you had this conversation, and you related the conversation that you had at that time?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. Did you see Mr. Tessmer again?

Mrs. DAWSON. Yes, sir. Quite a while after that, though, I believe it was, and it was after Christmas, possibly the week between Christmas and New Year's, or maybe just after New Year's, and I am not exactly sure.

Mr. KENNEDY. Well, now, did Mr. Lehr ever speak to Tessmer about giving you the business, the overall business?

Mrs. DAWSON. At the original meeting just after he and Mr. Tessmer had had their conversation, he simply identified my business as overall business, and I think he made the remark something like, "we will discuss that part of it later," or something like that.

Mr. KENNEDY. Did he ever discuss it again with him, do you know?

Mrs. DAWSON. Yes, on a visit that Mr. Lehr and I made to Mr. Tessmer's, I believe it was the early part of January.

Mr. KENNEDY. Would you relate that, please?

Mrs. DAWSON. Well, to open the conversation I think Mr. Lehr asked Mr. Tessmer if he had any more difficulty with the men in the shop or any more upsetness or anything like that, and as I remember it Mr. Tessmer said some small incident that they had been able to handle and so on, and then he made a reference to "Doc," whom I told you he was referred to before, this is Mr. Kierdorf. He said that he wanted Mr. Tessmer to do him a favor, and he said he wanted him to give me his overall business, and I think Mr. Tessmer was a little surprised that Mr. Lehr had asked me that I have the business rather than his own company.

He explained that the man who presently was serving the account had been a former friend of his, or that they had operated in the same building, and I just am not too clear on that detail or that portion of it, but that he really didn't feel that he could take the account. He also mentioned that "Doc" had told him at the time that he should get something out of his favors, so to speak, and he had interceded for the automobile dealers with the union, and some of the favors that he had done for these people were worth upward of \$10,000.

He said he had never really taken advantage of it but all he was asking was that the overall business be turned over to me.

Mr. KENNEDY. That was Mr. Lehr speaking?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. And prior to that, Mr. Tessmer said that an old friend of his had had the business?

Mrs. DAWSON. Yes, he said that.

Mr. KENNEDY. And he was reluctant to give him up, and then Mr. Lehr replied, well, he hadn't gotten much out of all of the things he had done for the various companies in Detroit?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. And all he was asking to have the business turned over to you, is that right?

Mr. DAWSON. Yes, sir.

Mr. KENNEDY. Did you get the business then?

Mrs. DAWSON. Well, Mr. Tessmer suggested that I call him in about a month, and I believe that was about correct, and that he would see. I think this man's name was Rosenberg, and he said this gentleman he was presently doing business with was out of town, and when he got back he would talk to him about it and I should call him in a month's time or so.

I did call him maybe 5 weeks later or approximately that, it was in February, and when I called Mr. Tessmer he was quite surprised to hear from me. I said something about the coverall business, and he said, "Well, Mr. Lehr was here." I think he said yesterday, and I can't give you the date, or maybe he said a day or so ago, "with another gentleman, and we have already contracted to give them our coverall business."

Mr. KENNEDY. That was from the Michigan Industrial Laundry?

Mrs. DAWSON. I asked him the name of the company, and he said he couldn't remember it, and I asked him if it was Michigan Industrial or if it was Cadillac Overall, and he said, "Yes, Michigan, that is the name."

Mr. KENNEDY. Michigan Industrial Laundry?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. And the business did go to Michigan Industrial Laundry, and who owns and operates Michigan Industrial Laundry?

Mrs. DAWSON. Of course, Mr. Dalitz, I believe, I wouldn't know. Mr. Lu Dalitz. He is the head of Michigan Industrial Laundry, but I don't know enough about the ownership, but I assume he owns it. That is the impression I have always been given.

Mr. KENNEDY. So, the business was given to his company; is that right?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. His brother is Mr. Moe Dalitz, who has the Desert Inn in Las Vegas?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. What was the reason it was decided not to give the business to you and to give it to Mr. Dalitz' company?

Mrs. DAWSON. Well, I can only tell you what I think about that. I am not sure, but I know that there was some kind of arrangement between Mr. Dalitz and Mr. Lehr concerning a Pontiac dealership in Pontiac, Mich., and I believe it was Mr. Dalitz wanted to take the account.

Mr. KENNEDY. Had things grown a little strained between you and Mr. Lehr by that time?

Mrs. DAWSON. Well, yes. They had.

Mr. KENNEDY. So, that would be a reason why they decided that you were not to get it and Mr. Dalitz was to get it, instead?

Mrs. DAWSON. Yes; I would assume so.

Mr. KENNEDY. Now, did Mr. Lehr ever speak to you about what he had done, or did you hear any conversation about what Mr. Lehr had done, for the Bill Root Chevrolet Co.?

Mrs. DAWSON. Well—

Mr. KENNEDY. When you were at Jefferson Chevrolet Co.?

Mrs. DAWSON. There was a reference to Mr. Root at that time.

Mr. KENNEDY. We had testimony on this, also, from other witnesses, but would you relate what you know about that or what was told to you?

Mrs. DAWSON. Well, in the original conversation with Mr. Tessmer, Mr. Lehr mentioned Mr. Root's name and said he had more or less interceded or offered to give some aid or assistance to Mr. Root.

Mr. KENNEDY. Did he say that he had actually taken the picket line off Bill Root's place?

Mrs. DAWSON. Mr. Kennedy, please, could they stop? This makes me nervous.

The CHAIRMAN. All you had to do was to request it, and I didn't know it. Will the photographers desist?

Mr. KENNEDY. Did they also mention, when you were at Jefferson Chevrolet, about Bill Root?

Mrs. DAWSON. Yes; that was the first time that I had heard about it.

Mr. KENNEDY. What was related to you about the Bill Root Chevrolet Co.?

Mrs. DAWSON. Mr. Lehr mentioned to Mr. Tessmer that—this is a little complicated to try to portray it correctly—but I believe he said he had contacted Mr. Tessmer and he had mentioned Mr. Lehr's name, and he said, "We have helped Mr. Root out," and, whether they had or whether they were about to at that point, I am not quite sure. But they were sure that they could assist Mr. Tessmer in his problems, also.

Mr. KENNEDY. Did he indicate at that time that they had taken the picket line off or could take the picket line off Bill Root?

Mrs. DAWSON. Not at that time.

Mr. KENNEDY. But subsequently?

Mrs. DAWSON. At a later date; yes.

Mr. KENNEDY. Will you tell us about that?

Mrs. DAWSON. Well, Mr. Lehr had called Mr. Root and asked him to give me his coverall business, and he said in return for a favor, so to speak, and then he took me out to Root's Chevrolet Co. and when we got out there Mr. Root wasn't there, but there was a gentleman there that I have known for a good number of years, who is, I believe, the manager, because he had formerly worked for my father-in-law, and I have known him. We talked to him and, while we were talking to him, this gentleman said something to Mr. Lehr about "that was quite a feat or quite a stunt," and Mr. Lehr looked at him kind of questioningly, and he said he had been so successful in removing the picket line.

Mr. KENNEDY. Did he say how much it had saved the Bill Root Co., his removing the picket line?

Mrs. DAWSON. Well, there were several references at different times to the fact that there was a great deal of money involved, but I couldn't specifically make the statement that he said it at that time.

Mr. KENNEDY. But the figures that were mentioned were between \$10,000 and \$15,000; is that right?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. Now, did Mr. Lehr indicate how he was able to get these picket lines removed?

Mrs. DAWSON. Only through his friendship with Mr. Kierdorf, and he never mentioned anything else to me.

Mr. KENNEDY. But it was obvious that he had a close relationship with Kierdorf and talked about him often and he referred to him as "the Doc"?

Mrs. DAWSON. Yes.

Mr. KENNEDY. Was it ever indicated to you by Mr. Lehr as to the future of the Star Coverall Co. in Detroit?

Mrs. DAWSON. You mean its growth?

Mr. KENNEDY. Yes.

Mrs. DAWSON. Yes; he made several remarks about the growth of the company.

Mr. KENNEDY. What did he say about that, and who was going to assist him?

Mrs. DAWSON. Well, he mentioned that Mr. Hoffa—the expression was “when Mr. Hoffa was off the pan” he would see that the Star Coverall Co. or, I think, he said that “I would have all of the uniform business with all of the trucking companies in Detroit.”

Mr. KENNEDY. Have all of the trucking companies?

Mrs. DAWSON. Yes, sir.

Mr. KENNEDY. Was it indicated about any of the dealerships, automobile dealerships? Did he say anything about getting their accounts?

Mrs. DAWSON. It wasn't a definite statement, but there were certainly references to the fact that the dealerships would be Star Coverall accounts.

Mr. KENNEDY. Because the Teamsters could stop them from getting automobiles?

Mrs. DAWSON. Well, they mentioned something about the fact that, if the people didn't cooperate, they could delay shipments and supplies and things like that, and, in other words, they had that power; you know, the Teamsters.

Mr. KENNEDY. Did Joe Lehr have any discussions or conferences or conversations with you about your testifying before the committee?

Mrs. DAWSON. Well, before the committee ever contacted me in Detroit, Mr. Lehr stopped in my office and we went out and had a cup of coffee because we couldn't talk very well there, and he was quite upset about the fact that somebody had interviewed him or whatever expression it is that you use, and, at that time, yes, we did discuss it and he accused me of—I don't remember the expression he used, but it wasn't very nice.

Mr. KENNEDY. About contacting the committee?

Mrs. DAWSON. Yes.

Mr. KENNEDY. Actually, we had been interested in the overall linen business long before we had any conversations with this young lady, but he spoke to you about this?

Mrs. DAWSON. He accused me of being a squealer or something like that, and he asked me if I had said anything, and then he said, “Well, sooner or later I will find out and, when I do, you will have a letter.”

Mr. KENNEDY. He said, “You will get a letter”?

Mrs. DAWSON. Yes.

Mr. KENNEDY. What did you understand getting a letter meant?

Mrs. DAWSON. To be perfectly honest with you, Mr. Kennedy, I thought it was kind of childish, the kind of thing that a 3- or 4-year-old would do, and I really didn't think anything about it.

Mr. KENNEDY. What did you think it referred to?

Mrs. DAWSON. Well, since that time, I have a rough idea of what it refers to, but at that moment I didn't.

Mr. KENNEDY. What did you learn, subsequently, it referred to, in view of the other threats that have been made to you?

Mrs. DAWSON. It is quite common for these people to send a picture of a hand in an envelope, and this is supposed to signify that that is “it” for you, I guess.

Mr. KENNEDY. That is a statement that he made to you at that time?

Mrs. DAWSON. He said that if he found that I was the person who had reported him, or something, that I would get a letter, and that would let me know what would happen to me, and that is all.

Mr. KENNEDY. Do you take it with more seriousness now than you did at that time?

Mrs. DAWSON. Yes.

Mr. KENNEDY. You do?

Mrs. DAWSON. Yes, sir.

The CHAIRMAN. Had you been subpoenaed to testify before the committee at that time?

Mrs. DAWSON. No, and not when Mr. Lehr talked to me, I hadn't. Later that same afternoon, when I got back to my office, I was contacted by one of your representatives.

Mr. KENNEDY. But you had not been contacted at the time you had this conversation with him?

Mrs. DAWSON. No.

The CHAIRMAN. Are there any questions?

Senator CHURCH. I have no questions, Mr. Chairman.

(At this point, the following members were present: Senators McClellan, Ervin, and Church.)

The CHAIRMAN. Mrs. Dawson, I know this has been quite an ordeal for you, as I indicated earlier this morning. We are very sorry that you have been inconvenienced to come here and tell us the story, the experiences you have had in trying to conduct a legitimate business, to earn a livelihood. Your experiences and what others may be having them, where we think they are having them, but yet have not the courage to tell us about it, such a situation in this country is more than shocking. It is alarming.

It is a warning of a danger that has to be eradicated. I can only say to you at this time that, on behalf of the committee, and I know every member of this committee shares the sentiments I am expressing, it takes courage as you are showing today, that it took that kind of courage to make America, to build it, and it is going to take that kind to preserve it.

You have earned the gratitude of every decent American for what you have done. I may say to you and others who are listening that this committee, together with other Government agencies, are taking every precaution that we know how for your safety.

If you get another threat, any intimidation or anything that gives you concern, we hope you will communicate with us about it at once.

Thank you; thank you very much.

Mrs. DAWSON. Thank you, sir.

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Herman Kierdorf.

The CHAIRMAN. Come forward, Mr. Kierdorf.

Be sworn, please. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. KIERDORF. I do.

**TESTIMONY OF HERMAN KIERDORF, ACCOMPANIED BY COUNSEL,
HARRY CLIFFORD ALLDER**

The CHAIRMAN. Be seated. State your name, your place of residence, and your business or occupation, please, sir.

Mr. KIERDORF. My name is Herman Kierdorf. Address is 29068 Spoon Avenue, Madison Heights, Mich. I am retired.

The CHAIRMAN. What is your former business or profession, Mr. Kierdorf?

Mr. KIERDORF. Former—may I consult my attorney, please?

The CHAIRMAN. Yes. Well, just a moment. Do you have counsel?

Mr. KIERDORF. I have, sir.

The CHAIRMAN. Identify yourself for the record, Mr. Counsel.

Mr. ALLDER. My name is Harry Clifford Alder. I am a member of the District of Columbia bar, with offices at 401 Third Street NW.

The CHAIRMAN. Thank you. Now, you may consult your attorney. (The witness conferred with his counsel.)

Mr. ALLDER. Mr. Chairman, may I make a statement at this time?

The CHAIRMAN. You may make a brief statement.

(At this point, Senator Curtis entered the hearing room.)

Mr. ALLDER. This witness was before the committee last fall. At that time, he answered all questions asked, to the best of his knowledge and belief. Because of a change in circumstances, particularly the testimony given here yesterday, he has an honest apprehension that, if he testifies now, he may be a witness against himself. Therefore, he will be forced to decline to answer questions on this occasion. He had read the record concerning his previous testimony, and states that it is correct, except that the word "pardon" should have been "paroled," and his statement that he was convicted in Ohio upon perjured testimony is a statement of his own, in his own belief only.

Therefore, at this time in answer to the question just asked, he relies on the record given here last fall as to what his occupation was. Those were truthful, honest statements when made then.

The CHAIRMAN. Thank you, Counsel. I am sure the record of his testimony last fall will reflect what his occupation is.

I believe he just testified a moment ago he was retired.

Mr. KIERDORF. Correct, sir.

The CHAIRMAN. Whatever that profession was or whatever your business was, you have retired from that now.

Mr. KIERDORF. That is correct.

The CHAIRMAN. When did you retire?

Today? Yesterday?

Mr. KIERDORF. No, I sent in my retirement notice on, I believe it was, May 23, effective as of August 1.

The CHAIRMAN. So you had concluded to retire some time ago?

Mr. KIERDORF. Yes.

The CHAIRMAN. All right, Mr. Kennedy, you may proceed.

The Chair may state that the fact that, as the witness' counsel has stated, circumstances have changed since the witness testified before the committee previously, and that the witness now feels that any testimony he gives, or some testimony that he might give, would place him in the category of being a witness against himself, may be a privilege under the fifth amendment that the witness is entitled to

exercise, but it is one that only he can exercise. It is the duty of this committee to try to get from the witness information that the committee believes he has which, if given, would be of aid to the Congress of the United States in trying to legislate in a way to protect its citizens and to establish further and preserve law and order, as the representatives of the people of this country who are entrusted with the responsibilities of legislating for them believe should be done in order to preserve the great ideals and liberties that this country has given to her people.

So we will have to proceed, notwithstanding the compulsion on the part of the witness to—I trust he will say respectfully—decline to answer.

All right, Mr. Kennedy.

Mr. KENNEDY. You were a business agent of joint council 43 up until today?

(The witness conferred with his counsel.)

Mr. KIERDORF. May I confer with my counsel, please?

The CHAIRMAN. Yes, you may.

(The witness conferred with his counsel.)

Mr. ALLDER. May the question be repeated, please, or read back by the reporter?

Mr. KENNEDY. You have been a business agent of joint council 43, have you not, in Detroit?

Mr. KIERDORF. I rely upon my testimony that I gave previously. My answer stands.

Mr. KENNEDY. You gave that testimony back on September 24, 1957. Since September 24, 1957, to the present time, have you been a business agent of joint council 43?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Would you tell the committee what the change in circumstances have been since September 24, 1957, to the present time?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Mr. Chairman, I submit that the only change in circumstances is that we have had an opportunity to investigate the activities of Mr. Kierdorf.

At that time we had very short time to look into his activities, and since then we have examined what Mr. Kierdorf has been doing as a business agent of joint council 43. We now have submitted and put into the record some evidence regarding his activities.

The CHAIRMAN. These activities that you are interrogating him about, or propose to interrogate him about, at least in part occurred since the witness gave his testimony last year, is that correct?

Mr. KENNEDY. In part since, and in part prior to that time. They were facts about which we did not have full knowledge.

The CHAIRMAN. At least the part which you are interrogating him about are activities that he has pursued since he testified, and then to go into further back and interrogate him regarding information the committee has obtained since with respect to his activities prior to that time?

Mr. KENNEDY. That is correct.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Mr. Kierdorf, you retired with full honors from the Teamsters, from joint council 43, did you?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. You were taken out—

The CHAIRMAN. You see, you could be very helpful. If you retired with honors and good standing and commendation from the position you held with the Teamsters, it would be very helpful to the committee, then, if you could tell us what your activities have been so that we might better understand what quality or character of service has elicited their commendation and conferring of honors. It would be very helpful to us if you could cooperate. We hope you will.

Proceed.

Mr. KENNEDY. Mr. Kierdorf, the president of the joint council 43 is Mr. James Riddle Hoffa.

Did he give you a letter of commendation as your retirement came about in the Teamsters Union?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. He took you out of the penitentiary in Ohio, and brought you in, made you a business agent of the Teamsters. Was he unhappy to see you retire as of today?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. ALLDER. May I be heard, Mr. Chairman?

I think if we analyze that last question, there are about 3 or 4 questions involved in 1.

Mr. KENNEDY. No; all I asked—

Mr. ALLDER. Let me finish, Mr. Kennedy. If I am wrong, the Chair will so rule. But I don't think it is fair to the witness to ask a question like he just asked. He can ask him one part of it. But to answer "Yes" or "No" to that question would not be an answer to anything.

The CHAIRMAN. He can state facts upon which is predicated a question. Counsel, as I recall his question, was saying, "Mr. Hoffa brought you out of the penitentiary and made you business agent for the Teamsters Union. Now, is Mr. Hoffa unhappy now about your retirement as of today?"

The question is: In view of what has happened in the past, his interest in you beforehand which caused you to become associated with the Teamsters Union as an organization, is he now unhappy by reason of your retirement?

Whatever pertinency the question has simply goes to the operations of what should be a legitimate American enterprise. It is legitimate if so conducted. Actually, it is an institution of honor and worthiness, in my opinion, a labor union properly conducted.

There is testimony here that is derogatory to this witness, his activities, and also to Mr. Hoffa. The witness may answer the question.

Insofar as you know, is Mr. Hoffa unhappy about your retirement as of today?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. I may say this to you as we proceed: If counsel states any fact as a basis or premise for a question that is in error, that you believe is wrong, that you want to controvert, that you want to refute or deny, you may have that privilege.

Proceed.

Mr. KENNEDY. Mr. Kierdorf, I would like to ask you what your activities have been in connection with the Star Coverall Co.

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Could you tell me if the testimony that we have had before this committee that you were performing services for the Star Coverall Co. on behalf of Mr. Angelo Meli is correct?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. According to the testimony that we have had, there have been at least 8 different companies in which you has played a role in obtaining business either for the Star Coverall Co. or for a company that was close to Mr. Joe Lehr, who is a part owner in the Star Coverall. They are the Chief Pontiac Co.—can you tell us anything about that?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

(At this point, Senator Church withdrew from the hearing room.)

Mr. KENNEDY. The Gib Bergstrom Pontiac Co., can you tell us about that?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Dawson Taylor Chevrolet Co.?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. The Rollie Barrett Chrysler Co., the Ralph Ellsworth Ford Co., the Hanley Dawson Chevrolet Co., the Bill Root Chevrolet Co., and the Jefferson Chevrolet Co. Can you tell us anything about any of those companies?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Can you tell us your relationship with Joe Lehr of the Star Coverall Co.?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Did you talk to Angelo Meli at all about the business of the Star Coverall Co.?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Do you know Angelo Meli?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. Senator Curtis.

The CHAIRMAN. Senator Curtis.

Senator CURTIS. Are you a member of a labor union?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. What are your principal sources of income?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. Has any of your income in the last 2 years come from labor unions?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. Has any of the income come from a business of laundry and supplying uniforms for men engaged in mechanical and garage work?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. Have you engaged in negotiating contracts for labor unions or settlements of any kind?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. Have you engaged in picketing in the last couple of years?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. Have you engaged in any strike——

Mr. KIERDORF. I respectfully——

Senator CURTIS. In the last couple of years?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. How long have you known Jimmie Hoffa?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. Do you know him?

(The witness conferred with his counsel.)

Mr. KIERDORF. May I speak to counsel, please?

(The witness conferred with his counsel.)

Mr. KIERDORF. I rely upon my testimony last fall and the answer stands.

Senator CURTIS. What was that?

Mr. KIERDORF. I will have to look it up.

Senator CURTIS. We have had a lot of people in here since then. I can't remember all of them.

(The witness conferred with his counsel.)

Mr. KIERDORF. The question was, Do I know Mr. Hoffa?

Am I correct?

Senator CURTIS. That is correct.

Mr. KIERDORF. I relied on my previous testimony. Do you wish me to read it?

Senator CURTIS. Yes, please.

Mr. KIERDORF (reading).

Mr. KENNEDY. Who hired you?

Mr. KIERDORF. Mr. Sam Hirst, who was then the head of the joint council that Mr. Hoffa is in charge of now. Ray Bennett was the receiver for the local. The local was in receivership at that time.

May I confer again for a moment?

Senator CURTIS. Yes.

(The witness conferred with his counsel.)

Mr. KIERDORF (reading).

Mr. KENNEDY. Did he—

I am sorry, gentlemen.

Senator ERVIN. It seems to me you could answer that question very simply without looking at the past testimony, if you haven't lost your memory since then. The question is whether you know or knew Jimmie Hoffa.

(The witness conferred with his counsel.)

Mr. KIERDORF (reading).

Mr. KENNEDY. He went to work for the Teamsters, too, when he went out of prison?

Mr. KIERDORF. Yes.

Mr. KENNEDY. Did he know Mr. Hoffa?

Mr. KIERDORF. No; I introduced him to Mr. Hoffa.

Mr. KENNEDY. That is on Frank Kierdorf. How about opening to page 5291. Do you want me to point this out to you? It is rather interesting.

Senator CURTIS. I am somewhat astounded that you have to refer to the record to let me know whether or not you know Jimmie Hoffa.

Mr. ALLDER. May I make a statement, Senator?

Senator CURTIS. Yes.

Mr. ALLDER. The position this witness is taking is that he was here last fall, September, I believe it was, and he testified here under oath. His memory at that time was certainly better than it is now. Therefore, he does not want to change any of the testimony he gave before, because he has read it and he agrees with it 100 percent. What he has just read has answered your questions, Senator. But he is now faced with another problem.

That is a legal problem of properly asserting his privilege if he wants to. He can only repeat this testimony here, and he cannot answer questions here today without taking a chance of endangering himself as far as contempt is concerned. That is what he is attempting to do.

This record shows the answer to your question, Senator.

Senator CURTIS. How long have you known Jimmie Hoffa?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. Do you know Owen Bert Brennan?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the United States Constitution not to be a witness against myself.

Senator CURTIS. Do you know Santo Perrone?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. During the last 5 years, with the exception of errors of computation or oversights that might be committed by any taxpayer, have you reported your income for income-tax purposes?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. That is all, Mr. Chairman.

Mr. KENNEDY. So that we get the whole situation, because we are having some difficulty with this witness, I would like to say this.

The question was asked on page 5291:

You are a business representative of the joint council?

Mr. KIERDORF. That is correct.

Mr. KENNEDY. Joint council 43, Detroit?

Mr. KIERDORF. That is correct.

The CHAIRMAN. Did you so testify before?

Mr. ALLDER. Unfortunately, Senator, our trouble is our page numbers don't correspond.

Mr. KENNEDY. It is right at the beginning, probably the first page.

Mr. ALLDER. You have made a correct reading of his testimony here, and I have it. If you care to, he will read this into the record again. But that is his position, that he will read from here what he testified to before. What you have just stated, Mr. Kennedy, is a correct reading of his testimony. This is a correct report of his testimony.

The CHAIRMAN. Mr. Counsel, we know that we are reading it correctly, but I want the witness to answer the question if he so testified before.

Proceed.

Mr. KENNEDY (reading). That is correct.

Mr. KENNEDY. You are a business representative of joint council 43 in Detroit?

Mr. KIERDORF. That is correct.

Mr. KENNEDY. Who is the head of the joint council?

Mr. KIERDORF. James Hoffa.

Mr. KENNEDY. He is the president of the joint council?

The CHAIRMAN. Did you testify that way when you were before the committee previously?

Mr. KIERDORF. I stand on the previous testimony as transcribed here.

The CHAIRMAN. Did you give that testimony, and is that testimony accurate?

Mr. KIERDORF. It is accurate.

The CHAIRMAN. Thank you. Proceed.

Mr. KENNEDY (reading) :

You were hired by him—

referring to James Hoffa.

Mr. KIERDORF. Yes, sir.

That is correct, is it?

(The witness conferred with his counsel.)

Mr. KIERDORF. Would you read that again?

Mr. KENNEDY (reading) :

You were hired by him—

referring to James Hoffa, and your answer—

Yes, sir.

Mr. KIERDORF. That is correct.

Mr. KENNEDY. And you will stand by that testimony?

Mr. KIERDORF. I do.

Mr. KENNEDY. Then further down. [Reading:]

Did you come out of the Ohio Penitentiary as a business representative of the joint council?

Mr. KIERDORF. Within about a month after I was released.

Mr. KENNEDY. You went right to see Mr. Hoffa, did you?

Mr. KIERDORF. I tried to get jobs at different places of employment, and I was unable to do so, and having been in the union as a union man since 1907, I approached Mr. Hoffa for employment. I talked to him, and under my promise to him that I would behave myself and conduct myself as a scholar and gentleman, he gave me the opportunity to go to work.

Is that correct?

Mr. KIERDORF. I stand by the testimony; that is correct.

Mr. KENNEDY. Have you behaved yourself like a scholar and a gentleman since then?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. You testified before the committee previously. You were one of the individuals that made a loan to Mr. Hoffa; we developed some further evidence and information on that, Mr. Kierdorf. I would like to have your assistance and help in answering some questions about the so-called loan that you made in December 1952.

You gave Mr. Hoffa some money in December 1952, did you?

Mr. KIERDORF. I again rely upon my testimony here, sir.

Mr. KENNEDY. I would think you could answer any questions about that, if I restrict it to that field. We developed a good deal more information on that. I would like to have your help and assistance, Mr. Kiersdorf, on this so-called loan.

(The witness conferred with his counsel.)

Mr. ALLDER. What page is that on? I have the volume you have.

Mr. KENNEDY. It is the whole volume, with his testimony. He talked about the loan. It starts on page 5291.

(The witness conferred with his counsel.)

Mr. KENNEDY. 5296 is where the loan starts.

You made a loan to Mr. Hoffa, did you?

Mr. KIERDORF. I rely on the record here as my previous statement.

I will read it if you wish.

Mr. KENNEDY. All right, read that.

Mr. KIERDORF (reading) :

You have made a loan to Mr. Hoffa, have you not?

Mr. KIERDORF. I did, sir.

Mr. KENNEDY. What was the next question?

(The witness conferred with his counsel.)

Mr. KIERDORF (reading) :

When did you make the loan to Mr. Hoffa?

Mr. KIERDORF. I believe it was in December 1952.

Mr. KENNEDY. Go ahead.

Mr. KIERDORF (reading) :

Could you tell us the circumstances under which you loaned the money to him?

Mr. KIERDORF. Yes.

Mr. KENNEDY. Go ahead.

Mr. KIERDORF (reading) :

He asked me if I had any available cash and I said I did.

Mr. KENNEDY. In what way did he ask you this?

Mr. KIERDORF. Pardon?

Mr. KENNEDY. Where did he ask you this?

Mr. KIERDORF. In the union hall.

I don't know if it was in his office. I believe it was in his office or he came down to the BA's room.

Mr. KENNEDY. When was this, approximately?

Mr. KIERDORF. In December, I think, 1952, some time in December. I know it was before Christmas because my wife and I were going to Florida over the holidays and I was unable to do so because I gave the money to Mr. Hoffa. I had enough, but I could not spare to take the holiday at the time, either.

The CHAIRMAN. As I understand you, all of the testimony you are reading here, you state under oath is true?

Mr. KIERDORF. Yes.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Go ahead.

Mr. KIERDORF (reading) :

Mr. KENNEDY. He just came up to you and said have you any cash?

Mr. KIERDORF. He asked me, "Have you any cash that you are not using that is available," and I said, "What for," he said, "I would like to borrow some."

I said, "How much?" He said, "How much can you spare?"

I said, "Approximately \$2,000. If you need more, I will get it for you. I will borrow it myself or I will get it."

He said, "Now, that will help me. That will be all right."

I gave him the \$2,000 the next day.

Mr. KENNEDY. Go ahead.

Mr. KIERDORF (reading) :

Do you know what he wanted the money for?

Mr. KIERDORF. No.

Mr. KENNEDY. Did you tell him it was with this little pile that you put aside for the Christmas trip?

Mr. KIERDORF. No; I told him if he wanted, I would get it, and if he needed any more I would get that for him.

Mr. KENNEDY. Did you go to the bank to get the money?

Mr. KIERDORF. No; I had it at home.

Mr. KENNEDY. Did you have it hidden at home?

Mr. KIERDORF. No, not hidden. I said I had it at home.

Mr. KENNEDY. Do you keep your cash at home?

Mr. KIERDORF. I do. Lots of times I keep a check or two. I earn enough money so I can save approximately half my salary.

Mr. KENNEDY. You also testified at the bottom of page 5303.

Mr. ALLDER. We have the page.

Mr. KENNEDY. At the last question there:

Do you have any other source of income or have you had any other source of income other than your union employment?

What was your answer to that?

Mr. KIERDORF. "No, sir; not a quarter."

Mr. KENNEDY. According to the testimony, you supposedly loaned \$2,000 to Mr. Hoffa in December of 1952. Your only source of income was the union checks that you were receiving, and you testified that during this period of time you were receiving about \$75 a week.

Were you making reports to the Michigan State Parole and Probation Board as to how much money you were saving?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution to not be a witness against myself.

Mr. KENNEDY. Isn't it a fact that you were making such reports and you had to make such reports as to how much cash or how much savings you had during part of 1952?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. And didn't you report that in February of 1952, you had \$500 saved and in March of 1952 you had \$250 saved, and in April of 1952, you then had \$350, and in May of 1952 you had \$400, and in June of 1952 you had \$500. Isn't that correct?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. Were you telling the truth in these reports?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. Do you think you would be a witness against yourself if you simply said "Yes," you were telling the truth?

Mr. KIERDORF. I honestly believe that if I even am forced to answer the questions I will be forced to be a witness against myself in violation of my rights under the fifth amendment of the United States Constitution.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Isn't it a fact that you were hard up for money, and you didn't have any money of your own, and that on January 24, 1952, you borrowed \$1,200 from the Commonwealth Bank; isn't that correct?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Then you had to go to the bank again in July of 1953 and borrow another \$750?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Isn't it a fact that you did not have the money in December of 1952 to turn over to Mr. Hoffa, and you never had \$2,000?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Isn't it a fact that there was never any such loan made to Mr. Hoffa, and this was just a coverup for cash that he had at that time.

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Mr. Hoffa had unexplained cash that he had to get sources for, and make an explanation before this committee, and he brought forth this idea of having these loans from you business agents; isn't that correct?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. If your reports to the Michigan State Parole and Probation Board were correct, it would have been impossible for you to have saved \$2,000 at the time you said it was turned over to Mr. Hoffa. Can you give us any explanation of that?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. Do you realize as between your testimony here and those reports there is an irreconcilable conflict unless you can truthfully say that you made an honest error in one or the other?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. You mean you don't even want to claim that you may have made an honest error?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. Are there any questions by the Senators?

Senator CURTIS. I have no questions.

Senator ERVIN. I just have this observation, that this witness stated under oath that if he admitted his union membership it would tend to incriminate him in the commission of some crime. It is enough to make the angels weep, to have a man who has made his living largely as a union officer, come in before a committee and state upon his oath that it would tend to incriminate him if he admitted he had held membership at any time in a labor organization.

That is surprising. But it is equally surprising to see that a local which is affiliated with the most powerful union in the United States takes and places in a position of responsibility over American citizens a man who had lost his rights of citizenship by being convicted of a felony and who was just immediately released on parole from a penitentiary sentence of a minimum of 10 and maximum of 25 years for such a serious offense as armed robbery.

It seems to me that this points out the necessity of enacting at least some of the provisions of the Kennedy-Ives bill, and especially the one that prohibits convicted felons from being immediately admitted upon

release from penal institutions into high offices in labor unions in the United States.

Senator CURTIS. I share the view that we need some Federal legislation. It is also my opinion that State legislation is needed. I believe the time has come for the several States to license labor organizers, union agents, and those union officials that have so much power over the workers and handle so much money. We require the lawyers who transact their business to be licensed under State law, and their license can be taken away from them.

The doctors connected with their health and welfare plans are licensed. A license can be removed because of misconduct. The certified public accountants who are called in to handle the accounting work in connection with this are subject to State control and can be removed.

I believe that unions are of such vital importance and power in our economic life that the several States owe it to their citizens to see to it that the individuals who perform this important work are licensed and that license can be removed when someone so conducts themselves not in the best interests of the workers.

It is not a case of moving the actual commission of felony or other crime. It is a question of insuring ethical conduct. I hope that the States do this.

The CHAIRMAN. Mr. Kierdorf, the witness who preceded you on the witness stand, the lady, Mrs. Dawson, and also a witness who testified yesterday, a Mr. Miller, have stated under oath that they have been threatened in connection with their testimony here before this committee. It has not been testified definitely or positively or maybe directly that you made the threats or had anything to do with them. But I am going to ask you if you did?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. I just wanted to see if you were going to by implication let the people of this country think that you would stoop that low. I asked you the question hoping that you could with good conscience say, "No, sir; I didn't."

Do you want to let the record stand as you made it?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. It will have to stand that way, and the Constitution will have to stand as it is so far as I know, but I want to tell you what I think a lot of people are doing today. They are converting the worthy purposes of the fifth-amendment provisions of the Constitution into a tool with which they dig holes for rats to crawl in.

Thank you, you may stand aside.

Senator ERVIN. I have one question. What interest did you have in procuring business for the Star Coverall Co.?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator ERVIN. What interest did Jimmy Hoffa have in procuring business for the Star Coverall Supply Co.?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator ERVIN. Is it not a fact that on a number of occasions you acting under the instructions of Jimmy Hoffa had picket lines thrown around different businesses in the Detroit area for the purpose of compelling persons to change their patronage from various laundry companies to the Star Coverall Co.?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator ERVIN. And in a number of instances as a result of your activities, if you didn't procure contracts recognizing the Teamsters as a union representing the employees of some of these companies, and if in every case, if you did receive money for so doing which was not turned over to the union?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator ERVIN. Did you own any stock in the Star Coverall Supply Co.?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator ERVIN. I will ask you further in virtually every case where you succeeded in getting recognition for the Teamsters in matters of this kind, if the employees that were unionized ever got any contracts or any increased benefits above those they were getting at the time of the unionization by the Teamsters?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator ERVIN. I will ask you as a matter of fact if many of your activities in this connection were not activities which constituted merely the devices for extortion?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator ERVIN. How many members did this local union have when you were brought out of the penitentiary and made their business agent?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator ERVIN. Did the Teamsters local of which you were business agent have union contracts with these various companies?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator ERVIN. That is all.

Mr. KENNEDY. I have just one question or a couple of questions. According to the testimony, some of the activities that you participated in were brought to the attention of Mr. Hoffa in December of 1957.

Could you tell us if Mr. Hoffa took any action whatsoever against you in connection with these complaints?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Could you tell the committee why Mr. Hoffa feels that he should always allow these kind of activities to go on inside the Teamsters Union?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. And you have a nephew, Frank Kierdorf, do you not, who operated as a business agent up in Flint, Mich., and was also taken out of the penitentiary and made a business agent by Mr. Hoffa? He appeared before the committee and took the fifth amendment on shakedowns and extortion. Is he still a business agent up in Flint?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Mr. Kierdorf, does Mr. Hoffa feel much better when he is surrounded by people with police records?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Was he a part or did he have full knowledge of the fact that you were working toward having this racket company, Star Coverall take over the \$20 million business in Detroit?

Mr. KIERDORF. I respectfully decline to answer and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator ERVIN. I would be very greatly indebted to you if you could suspend the fifth amendment long enough to tell me how it could possibly incriminate you to answer a question as to whether your nephew was a business agent of some local of the Teamsters Union in Flint, Mich.?

Mr. KIERDORF. I honestly believe that if I am forced to answer the questions I will be forced to be a witness against myself in violation of my rights under the fifth amendment of the United States Constitution.

The CHAIRMAN. Is there anything further?
Stand aside, call the next witness.

Mr. KENNEDY. Mr. Petroff.

The CHAIRMAN. Will you be sworn, please?

Do you solemnly swear that the evidence, given before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. PETROFF. I do.

TESTIMONY OF EDWARD PETROFF, ACCOMPANIED BY HIS COUNSEL, GEORGE S. FITZGERALD

The CHAIRMAN. State your name, and your place of residence, and your business or occupation, please, sir.

Mr. PETROFF. Edward Petroff, 18489 Westmoreland, Detroit, Mich., business agent for Local 376 of the Teamsters Union.

The CHAIRMAN. You have counsel?

Mr. PETROFF. Yes, sir.

The CHAIRMAN. Mr. Counsel, will you identify yourself, please?

Mr. FITZGERALD. George S. Fitzgerald, attorney, Detroit, Mich.

The CHAIRMAN. Proceed.

Mr. KENNEDY. How long have you been with the Teamsters, Mr. Petroff?

Mr. PETROFF. May I consult with counsel, please?

(The witness consulted with counsel.)

Mr. PETROFF. I have been with the Teamsters Union since 1954, in the spring of 1954.

Mr. KENNEDY. What were you doing prior to that time?

Mr. PETROFF. I was an automobile salesman.

Mr. KENNEDY. Now, you went with the Teamsters Local 376?

Mr. PETROFF. Yes, sir.

Mr. KENNEDY. Who hired you for that job?

(Witness consulted with counsel.)

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution, not to be a witness against myself.

The CHAIRMAN. You don't mean that a fellow hired you and you can't acknowledge it without being a witness against yourself, do you?

Mr. PETROFF. I honestly believe if I am forced to answer the question I will be forced to be a witness against myself in violation of my rights under the fifth amendment of the United States Constitution.

The CHAIRMAN. Don't you also honestly believe that by refusing to answer who hired you, you reflect upon the man who hired you?

Mr. PETROFF. I honestly believe if I am forced to answer the question I will be forced to be a witness against myself, in violation of my rights under the fifth amendment of the United States Constitution.

Senator CURTIS. I would like to ask you, what were your duties supposed to be when you were employed?

Mr. PETROFF. May I speak to counsel, please?

(Witness consulted with counsel.)

Mr. PETROFF. I respectfully decline to answer the question and I exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. What duties did you perform after you were employed?

Mr. PETROFF. I respectfully decline to answer the question and I exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator CURTIS. That is all.

Mr. KENNEDY. Now, Mr. Petroff, as well as being a business agent, you identified yourself as a business agent of local 376, don't you have another position?

Mr. PETROFF. May I consult with my counsel?

(Witness consulted with counsel.)

Mr. KENNEDY. Are you president of the local?

Mr. FITZGERALD. May I speak to him?

(Witness consulted with counsel.)

Mr. PETROFF. Business agent and secretary-treasurer.

Mr. KENNEDY. Were you elected to that position?

Mr. PETROFF. May I speak to counsel, please?

(Witness consulted with counsel.)

Mr. PETROFF. I respectfully decline to answer the question and I exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Now, this is a very interesting local of the Teamsters, Mr. Chairman, one very close to Mr. Hoffa, and one that a good deal of money has come out of. I would like to have the witness identify these documents.

The CHAIRMAN. I hand you here a number of tablet paper sheets on which there is handwriting, some in pencil and some in ink. Hurridely glancing through, I see none that are typewritten. I ask you to examine this file that I have described to you and state if you identify those handwritten documents.

(Documents were handed to the witness.)

Mr. PETROFF. May I consult with counsel?

The CHAIRMAN. You may.

(Witness consulted with counsel.)

Mr. KENNEDY. Can you identify those?

Mr. PETROFF. Yes, sir; these are the original copies of the local union minutes, which I turned over to the investigator for the committee on advice of counsel.

The CHAIRMAN. Thank you very much.

Let those documents be made in bulk exhibit No. 12.

(Documents referred to were marked "Exhibit No. 12," for reference and may be found in the files of the select committee.)

Mr. KENNEDY. Now, are they all of the minutes of your union?

Mr. PETROFF. May I consult with counsel, please?

(Witness consulted with counsel.)

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Now, Mr. Salinger, would you tell us if that is all of the material we received?

The CHAIRMAN. Just one moment. Let us get the record straight.

Mr. FITZGERALD. May I speak to the witness for a moment and make an inquiry to clear something up on that score?

The CHAIRMAN. You may.

(Witness consulted with counsel.)

Mr. FITZGERALD. I think the witness could explain something about the last question of the counsel for the committee.

The CHAIRMAN. What is the last question?

Mr. FITZGERALD. He said, "Are those all of the minutes?" and on that score he exercised his privilege, but I think that he should clear that up.

The CHAIRMAN. Let us clear it up. The Chair has just presented to you several handwritten documents here on tablet paper, which you identified as minutes, I believe, of your local. Is that correct?

Mr. PETROFF. Yes, sir.

The CHAIRMAN. Now, the question is, Are these all of the minutes of your local?

Mr. PETROFF. Those are all of the minutes of the local that are in my possession ever since I had any responsibility for them.

The CHAIRMAN. When did your responsibility begin?

Mr. PETROFF. May I consult with counsel, please?

(Witness consulted with counsel.)

Mr. PETROFF. January of 1956.

The CHAIRMAN. In January of 1956?

Mr. PETROFF. Yes, sir.

The CHAIRMAN. Through 21½ years? When were these turned over, may I ask?

Mr. SALINGER. They were turned over in either late June or early July, and they reflect the minutes through March of 1958.

The CHAIRMAN. Well, for a period of 2 years and 3 months. I believe, that would be substantially accurate. These reflect and these constitute all of the minutes that were kept with respect to your local meetings of your local; is that correct?

Mr. PETROFF. May I consult with counsel, please?

(Witness consulted with counsel.)

Mr. PETROFF. Yes, sir; that is true.

The CHAIRMAN. All right, and so you delivered these in response to a subpoena of the committee, did you?

(Witness consulted with counsel.)

Mr. PETROFF. Yes, on the advice of counsel.

The CHAIRMAN. Well, these were subpoenaed and when you got the subpoena for the record of your local, these are what you delivered and you say now they constitute all of the minutes of your local?

Mr. PETROFF. May I consult with counsel, please?

(Witness consulted with counsel.)

Mr. PETROFF. Those are all of the records that I know about.

The CHAIRMAN. That is what I thought. Now I may proceed, and I wanted to establish whether you delivered them and actually complied with the subpoena or not by delivering all of them.

Mr. FITZGERALD. May I address the Chair? They weren't subpoenaed, Mr. Chairman. We were called, and I was asked if they would deliver them, and they were delivered without a subpoena.

The CHAIRMAN. Thank you. I didn't mean to go into that.

Mr. FITZGERALD. I didn't know that myself, and I only say that to clear the record.

The CHAIRMAN. Upon request you turned over all of the minutes and these constitute all of the minutes?

Mr. PETROFF. Yes, sir.

Mr. KENNEDY. Now, isn't it correct, Mr. Petroff, that prior to the time you took over the union, that this union was run by Mr. Henry Lower?

Mr. PETROFF. May I consult with counsel?

(Witness consulted with counsel.)

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Were there any minutes whatsoever of the union while Mr. Henry Lower was running it?

Mr. PETROFF. May I consult with counsel?

(Witness consulted with counsel.)

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Here are all of the minutes of this local, the major local in Detroit, which was formerly run by Mr. Henry Lower, and Mr. Henry Lower and Mr. Hoffa according to testimony were in partners together in the Sun Valley project down in Florida. Can you tell us anything about that?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Money came out of local 376 and went into this project down in Florida, in which Mr. Hoffa had a personal financial interest. Can you tell us about that?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Can you name one single local in Mr. Hoffa's domain that hasn't got something wrong with it somewhere, some crookedness?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. At least in his domain before he became international president?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Can you tell us why you are participating in this operation on behalf of Joe Lehr in the Star Coverall Co., Mr. Petroff?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. You wouldn't do that on your own, and you got your instructions and orders from someone else, and you didn't get anything out of it personally? Where did the instructions come from to you about that matter?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

(At this point, the following members were present: Senators McClellan and Ervin.)

The CHAIRMAN. Mr. Petroff, are you afraid to tell the truth about these matters?

Are you under some apprehension of fear?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. You know, we have some information that you are not a very bad fellow, left to yourself. Who are you covering up for?

You are not covering up just for yourself.

Mr. PETROFF. I respectfully decline to answer the question and I exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Weren't you told by the president of the Teamsters Union that you would lose your job if you came in here and told the truth?

Mr. PETROFF. I respectfully decline to answer the question and I exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Mr. Chairman, I would like to just have Mr. Salinger, if it is all right with you, read from the minutes of the membership meeting of March 31, 1958.

This is in a matter in connection with Mr. Petroff.

The CHAIRMAN. We are reading from the minutes that he identified as minutes of the local?

Mr. SALINGER. That is correct, sir.

The CHAIRMAN. They are all made an exhibit. You are reading an excerpt from exhibit 12?

Mr. SALINGER. One paragraph.

The McClellan committee is demanding all the books and records of local 376. If any member of the union is called by the committee, Brother Petroff said to tell the truth, we have nothing to hide.

The CHAIRMAN. Now, Brother Petroff, do you take your own advice?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the United States Constitution not to be a witness against myself.

The CHAIRMAN. Were you telling them the truth, or were you putting up a sham to the membership of your local?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. Did you anticipate then that you would be called before the committee?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. That is the last minute you kept, isn't it?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. Is that the last dated minute that was kept?

Mr. SALINGER. That we received, right, sir.

The CHAIRMAN. That we received.

Senator ERVIN. May I ask a question there?

The CHAIRMAN. Yes.

Senator ERVIN. After you wrote that very righteous proclamation on the minutes, did you give anybody any secret oral instructions about how they were to act in case they were summoned before the McClellan committee?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States not to be a witness against myself.

Senator ERVIN. How many members did local 376 have?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. Don't you think that is silly, not to say how many members you had in your local?

Don't you think it is carrying the ridiculous to the bottom of the scum of everything that stands for reason and decency?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the Constitution of the United States not to be a witness against myself.

The CHAIRMAN. How many members do the records show, approximately, that they have?

Mr. SALINGER. I don't have that record here, Mr. Chairman.

Mr. KENNEDY. We can send for it.

The CHAIRMAN. I want it put into the record at this point. You are under oath, and when you get it, insert it into the record at this point.

(The information referred to follows:)

Membership of local 376

1955-----	247
1956-----	1008
1957-----	830
1958-----	552

Senator ERVIN. You were secretary-treasurer of this local?

Mr. PETROFF. Yes, sir.

Senator ERVIN. And it was your duty to have custody not only of the minutes that you kept but also you were the custodian of the minutes of your predecessors in that office, weren't you?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the Constitution of the United States not to be a witness against myself.

Senator ERVIN. I am asking about your authority. I am not asking what you did. I am asking about your authority and what your duty was. Wasn't it your duty to take custody of any minutes kept by your predecessors?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator ERVIN. How long has local 376 been in existence?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator ERVIN. Well, you can answer this, because you have already done it: So far as you know these minutes here are the only minutes that local 376 ever had?

Mr. PETROFF. May I consult counsel?

(The witness conferred with his counsel.)

Mr. PETROFF. Those are the only minutes that I know of, sir.

Senator ERVIN. When you became secretary-treasurer, did you inquire or ask for the minutes that were in existence or had been kept before that time?

Mr. PETROFF. I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Senator ERVIN. How can it incriminate you to say whether you made inquiry concerning the existence of minutes which you were supposed to keep in your official capacity as secretary-treasurer?

Mr. PETROFF. I honestly believe that if I am forced to answer the question, I will be forced to be a witness against myself in violation of my rights under the fifth amendment of the United States Constitution.

Senator ERVIN. That is all.

Mr. KENNEDY. That is all.

The CHAIRMAN. Are there any other questions?

If not, stand aside.

Call the next witness.

Mr. KENNEDY. Mr. Joseph Lehr.

The CHAIRMAN. Come forward, Mr. Lehr.

You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. LEHR. I do.

TESTIMONY OF JOSEPH LEHR, ACCOMPANIED BY COUNSEL, ANTHONY A. VERMEULEN

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. LEHR. My name is Joseph Lehr. I live in the city of Mount Clemens, Mich., part owner of the Star Coverall Supply Co.

The CHAIRMAN. You have counsel present: Mr. Counsel, identify yourself, please.

Mr. VERMEULEN. Anthony A. Vermeulen. I am an attorney in Detroit, Mich., with offices at 2715 Cadillac Tower, Detroit, Mich.

The CHAIRMAN. Proceed.

Mr. KENNEDY. How long have you been with the linen supply business?

Mr. LEHR. In the linen supply business?

Mr. KENNEDY. Yes. Linen and overalls.

Mr. LEHR. Well, they are two separate fields. I worked in the linen supply business previously before I went into the business myself.

Mr. KENNEDY. What was the name of that?

Mr. LEHR. Klean Linen Service.

Mr. KENNEDY. Did you have any ownership in that?

Mr. LEHR. No, sir.

Mr. KENNEDY. Who owned that company?

Mr. LEHR. Irvin Cohan and Louis Riccardi.

Mr. KENNEDY. When did that go out of business?

Mr. LEHR. I left their employ, I believe, in 1952. They were sold shortly after that.

Mr. KENNEDY. Is that Mr. Riccardi who appeared before the Kefauver committee?

Mr. LEHR. Frankly, I don't know the dates of the Kefauver committee. But it was somewhere around that area.

Mr. KENNEDY. You understood he appeared before the Kefauver committee?

Mr. LEHR. I knew that; yes.

Mr. KENNEDY. That is the same Riccardi; is it not?

Mr. LEHR. That is right.

Mr. KENNEDY. Who did you go to work for then?

Mr. LEHR. After Mr. Riccardi and I had a parting of the ways, Mr. Kennedy; is that what you mean?

Mr. KENNEDY. Yes.

Mr. LEHR. I worked for a short time for the Jefferson Linen Supply Co.

Mr. KENNEDY. What is the name of it?

Mr. LEHR. Jefferson Linen Supply.

Mr. KENNEDY. Then who did you go to work for?

Mr. LEHR. Then I went to work with the Star Coverall.

Mr. KENNEDY. Who are your partners?

Mr. LEHR. Vincent Meli and Louis Eisenberg.

Mr. KENNEDY. How long have you known Vincent Meli?

Mr. LEHR. I have probably known him a couple of years.

Mr. KENNEDY. How long have you known his father, Angelo Meli?

Mr. LEHR. Several years. I can't say exactly.

Mr. KENNEDY. Have you known Angelo longer than Vincent?

Mr. LEHR. I just knew him casually. Not personal friends or anything.

Mr. KENNEDY. How did you happen to go into business with Vincent Meli?

Mr. LEHR. Well, the Klean Linen Service was on the verge of breaking up, and I decided I would go into business for myself. I approached Vince and wanted to know if he would go in with me. That is how it came about.

Mr. KENNEDY. Did you talk to Angelo about it?

Mr. LEHR. No; I didn't talk to Angelo about it.

Mr. KENNEDY. Just Vincent?

Mr. LEHR. Vincent.

Mr. KENNEDY. Why did you happen to approach Vincent Meli?

Mr. LEHR. Well, I didn't have enough money of my own and I thought with the combination of his money and mine we would have a substantial amount.

Mr. KENNEDY. When did you approach him? 1952?

Mr. LEHR. I believe it was; yes.

Mr. KENNEDY. How did you think he would have enough money. He had just gotten out of college.

Mr. LEHR. Well, we did not require that much money. He was a young fellow, a college graduate, intelligent.

Mr. KENNEDY. Where did you think he was going to get his money?

Mr. LEHR. I haven't the slightest idea.

Mr. KENNEDY. You said you approached him because you needed money.

Mr. LEHR. I didn't need money. I had my money.

Mr. KENNEDY. You said you needed his money.

Mr. LEHR. His money combined with mine would have been sufficient to start with.

Mr. KENNEDY. Where did you think he would get his money?

Mr. LEHR. I don't know.

Mr. KENNEDY. Where did you get your money?

Mr. LEHR. \$5,000 from my brother, Walter Haslett, and \$2,500 from my father-in-law.

Mr. KENNEDY. Did you have a bank account at that time?

Mr. LEHR. I don't believe so.

Mr. KENNEDY. Do you have a bank account now?

Mr. LEHR. No; I don't.

Mr. KENNEDY. You don't have a bank account?

Mr. LEHR. Just a company bank account.

Mr. KENNEDY. You don't have a personal bank account?

Mr. LEHR. None whatsoever.

Mr. KENNEDY. You deal completely in cash?

Mr. LEHR. That is right.

Mr. KENNEDY. Where do you keep the cash that you have, at home?

Mr. LEHR. That is right.

Mr. KENNEDY. Do you know Peter Licavoli?

Mr. LEHR. No; I don't.

Mr. KENNEDY. You never met him?

Mr. LEHR. Never met him.

Mr. KENNEDY. Irving Miller testified that you introduced him to Pete Licavoli?

Mr. LEHR. I introduced him to Pete Licavoli? Mr. Miller is greatly mistaken.

Mr. KENNEDY. You did not do that?

Mr. LEHR. Never.

Mr. KENNEDY. How about Scarface Joe Bommarito?

Mr. LEHR. I don't know him either. I never met him.

Mr. KENNEDY. You never met him?

Mr. LEHR. Never met him.

Mr. KENNEDY. You never introduced him to Mr. Miller either?

Mr. LEHR. I have never seen them together and never introduced him to Mr. Miller.

Mr. KENNEDY. You have never seen Mr. Bommarito?

Mr. LEHR. I don't think so.

Mr. KENNEDY. You have never seen Mr. Licavoli?

Mr. LEHR. I don't think so.

I don't know him. I have seen his pictures.

Mr. KENNEDY. Mr. Meli testified that he was down around that office. Do you know Santo Perrone?

Mr. LEHR. Yes; I know Mr. Perrone.

Mr. KENNEDY. How long have you known Santo Perrone?

Mr. LEHR. Since I went into business with Vince.

Mr. KENNEDY. Do you know Jack Tocco?

Mr. LEHR. Yes; I do.

Mr. KENNEDY. Do you know Anthony Tocco?

Mr. LEHR. Yes; I do.

Mr. KENNEDY. How long have you known Jack Tocco?

Mr. LEHR. Jack Tocco I have known since we were in business. I think he was connected with Lafayette Motors. I met him there.

Mr. KENNEDY. How about Anthony Tocco?

Mr. LEHR. Anthony Tocco, I think I have known him probably maybe 3 or 4 years.

Mr. KENNEDY. How about Sam Finazzo, do you know him?

Mr. LEHR. I don't know him.

Mr. KENNEDY. Anthony Zerilli?

Mr. LEHR. I don't know him.

Mr. KENNEDY. You don't know Anthony Zerilli?

Mr. LEHR. No.

Mr. KENNEDY. Do you know Herman Kierdorf?

Mr. LEHR. Yes; I do.

Mr. KENNEDY. Did Mr. Herman Kierdorf help or assist you in obtaining contracts or clients for the Star Coverall Co.?

Mr. LEHR. Mr. Kierdorf introduced me to 3 or 4 dealers; yes, he did.

Mr. KENNEDY. You tell us the dealers he introduced you to.

Mr. LEHR. Who?

Mr. KENNEDY. Yes.

Mr. LEHR. Ralph Ellsworth, Rollie-Barrett, and Hanley Dawson. Not Hanley Dawson, but Dawson Taylor Chevrolet. Those were the three of them.

Mr. KENNEDY. Also Hanley Dawson?

Mr. LEHR. No, not Hanley Dawson. I have nothing to do with Hanley Dawson.

Mr. KENNEDY. Vincent Meli testified yesterday that he had.

Mr. LEHR. Well, I don't think Vince knew the facts.

Mr. KENNEDY. That is what he testified to.

Mr. LEHR. He was mistaken.

Mr. KENNEDY. It is the one company he mentioned.

Mr. LEHR. He is mistaken. He had nothing to do with Hanley Dawson.

Mr. KENNEDY. Did you ever discuss the Hanley Dawson account with Mr. Kierdorf?

Mr. LEHR. No; I didn't.

Mr. KENNEDY. What companies did you have? Ellsworth?

Mr. LEHR. Ralph Ellsworth, Rollie-Barrett, and Dawson Taylor, I believe, Chevrolet.

Mr. KENNEDY. You have been friends with Mr. Kierdorf for a period of time?

Mr. LEHR. I believe about 2 years, 3 years, about that length of time. Three years, I imagine.

Mr. KENNEDY. For how many years?

Mr. LEHR. About 3, 2 or 3. I don't remember exactly.

Mr. KENNEDY. Who introduced you to Mr. Kierdorf?

Mr. LEHR. I met him in Red Kemp's. I forget who introduced him to us.

Mr. KENNEDY. What is Red Kemp's?

Mr. LEHR. It is a restaurant near our plant.

Mr. KENNEDY. I can't hear you. Will you speak up?

Mr. LEHR. It is a restaurant near our plant.

Mr. KENNEDY. Who introduced you to him?

Mr. LEHR. I don't recall how I ran into him.

Mr. KENNEDY. In any of these matters, were the labor difficulties or problems of any of these companies discussed?

Mr. LEHR. Not to my knowledge.

Mr. KENNEDY. I am asking you. You would know.

Mr. LEHR. No, as far as I know; I don't recall any, Mr. Kennedy.

Mr. KENNEDY. You never discussed any labor problems? You never discussed any labor problems with Mr. Kierdorf about any of these accounts?

Mr. LEHR. Never to my knowledge.

Mr. KENNEDY. You never did. Did you ever tell any of these accounts that if they gave you the business or gave the business that

they had to somebody that you designated, that you could solve their labor difficulties?

Mr. LEHR. Never.

Mr. KENNEDY. That never happened?

Mr. LEHR. No.

Mr. KENNEDY. How did Mr. Kierdorf happen to introduce you to these three accounts that you mentioned?

Mr. LEHR. I asked Mr. Kierdorf to introduce me to them.

Mr. KENNEDY. Were they having labor difficulties at the time?

Mr. LEHR. No. Can I make a statement to that affect?

Mr. KENNEDY. Yes.

Mr. LEHR. Way back last fall, the coverall association, they wanted us to join awfully badly, hired a private detective agency to follow our trucks and obtain a list of our accounts.

They sat out there in front of our plant night and day and brazenly followed our trucks all the way home to their driver's places. I knew they were preparing for a fight. They took some of our business. I met Mr. Kierdorf at Red Kemp's at that time and I asked him to introduce me to get back some of this business from these people who had been taking my business for weeks.

Mr. KENNEDY. Why did you go to Mr. Kierdorf?

Mr. LEHR. I go for help to anyone when I fight back.

Mr. KENNEDY. Why did you go to a union official?

Mr. LEHR. I don't consider him a union official. I consider him a friend.

Mr. KENNEDY. He also was a union official. You knew that.

Mr. LEHR. All I asked was an introduction. He had nothing to do with, to my knowledge, obtaining business for me.

Mr. KENNEDY. You never discussed any union matters with any of them?

Mr. LEHR. Not to the best of my knowledge, not that I remember; no, I didn't.

Mr. KENNEDY. That is three answers you gave. What is the answer?

Mr. LEHR. I don't recall discussing it.

Mr. KENNEDY. You don't recall now, or know he didn't.

Mr. LEHR. I didn't. I don't recall.

Mr. KENNEDY. Which answer is it?

Mr. LEHR. I don't recall, Mr. Kennedy, discussing it.

Mr. KENNEDY. You don't recall. But do you deny that you did?

Mr. LEHR. Well, I say I don't recall it.

Mr. KENNEDY. Do you deny it?

Mr. LEHR. I don't recall it.

Mr. KENNEDY. It is possible that you did, then; is that right?

Mr. LEHR. I don't recall it, Mr. Kennedy.

Mr. KENNEDY. Are you in a position to deny the fact that you were discussing these matters with Mr. Kierdorf?

Mr. LEHR. May I consult counsel?

Mr. KENNEDY. This is over the period of the last year. Let me draw or direct your attention just over the period of the last 12 months.

Over the period of the last 12 months have you discussed the problems that these various employers have had with Mr. Kierdorf?

Mr. LEHR. None whatsoever, Mr. Kennedy, to my best knowledge.

Mr. KENNEDY. Can you just say "No"? Can you just say that you did not?

Mr. LEHR. I did not. I will say I did not. To the best of my knowledge I did not discuss it.

Mr. KENNEDY. You keep slipping that "to the best of my knowledge" in.

Mr. LEHR. That is right.

Senator ERVIN. The point is this: You either have knowledge, or you don't have knowledge. If you have knowledge, you can say "Yes" or "No" positively. Now, do you have knowledge of what you have been asked about?

Mr. LEHR. Sir, to the best of my knowledge in that, I don't remember discussing these things with Mr. Kierdorf.

Senator ERVIN. You are not willing to swear, then, that you did not discuss these matters with Mr. Kierdorf?

Mr. LEHR. Well, I will honestly say "No." I did not discuss anybody's unionization problems.

Senator ERVIN. Will you say you did not discuss them?

Mr. LEHR. That is right; I will say I did not discuss them.

Senator ERVIN. You are making it certain, you are testifying now that it is not a matter of forgetfulness with you, you are testifying that you positively did not discuss these matters with him. That is your testimony.

Mr. LEHR. May I consult my counsel?

Senator ERVIN. I don't know that your counsel knows about that. He probably was not along. There is no evidence of that. If you have to consult him about the law, it is all right. But I don't know why you need to discuss with him about your knowledge of a fact. But you can consult.

(The witness conferred with his counsel.)

Mr. LEHR. I don't have any knowledge of discussing anyone's problems with Mr. Kierdorf. That is why I say I don't recall it. I honestly don't recall it.

Senator ERVIN. Well, you are changing your testimony again now.

You are saying now, in effect, that you could have discussed it with him and forgotten about it.

Mr. LEHR. No, I am not saying that. I don't have any recollection of discussing anybody's union problems or labor problems with Mr. Kierdorf.

Senator ERVIN. Do you have any recollection to the effect that you did or did not discuss them with him?

Mr. LEHR. I can't honestly remember ever discussing, sir—I don't know your name.

Senator ERVIN. But you could have discussed them and forgotten them?

Mr. LEHR. It is possible. I don't recall.

Senator ERVIN. All right. Now we have the third version.

The CHAIRMAN. All right. Let's proceed.

Mr. KENNEDY. Did you discuss it with employers? Did you discuss their labor problems?

Mr. LEHR. In my best recollection I discussed—Ray Tessmer once discussed his problem or told me about his problem with the union when I stopped in to see him one day.

Mr. KENNEDY. Other than Ray Tessmer, did you discuss the labor problems these employers were having?

Mr. LEHR. No.

Mr. KENNEDY. You did not?

Mr. LEHR. No.

Mr. KENNEDY. Would you read in the affidavit, the pertinent part of the affidavit, of Mr. McLaughlin of the Frank McLaughlin Pontiac Co.?

Mr. SALINGER (reading) :

Either Monday or Tuesday I received a telephone call from a man named Joseph Lehr, with whom I had no previous acquaintance. Lehr identified himself as King Lehr, and said he was Vince Meli's partner in the Star Coverall Supply Co. Mr. Lehr told me he had heard through one of his drivers that we were having union problems. He said he knew the fellows down at the union and thought he could help us and I told him to go ahead and try.

He subsequently called back and said that the problem could be solved if the Chief Pontiac Co. would sign a recognition contract with the union.

Mr. LEHR. Can I make a statement on that?

Mr. KENNEDY. You not only can make a statement, you better make a statement.

Mr. LEHR. If I remember that incident, it was on a Friday. My driver called me and said they had a picket line in front of, I believe it was, Chief Pontiac at the time, yes, and he could not make a delivery. I called Mr. McLaughlin and asked what was going on and he said they had a picket line out there. I said I would call Mr. Kierdorf and see if I couldn't get the uniforms taken in there so the men could have some clothes, which I did.

I called McLaughlin back and Mr. Kierdorf said "Don't under any circumstances cross that picket line."

I called Mr. McLaughlin back and told him what Mr. Kierdorf had said and that they would be down Monday to meet with them to iron out his problems and his trouble. That is the extent of my conversation with Mr. McLaughlin.

Mr. KENNEDY. Then you were discussing with some of these employers their problems?

Mr. LEHR. I didn't discuss the problem. I gave the message.

Mr. KENNEDY. You were discussing that. You were discussing the problem.

Mr. LEHR. I didn't discuss the problem.

Senator ERVIN. And also discussing labor matters with Mr. Kierdorf.

Mr. LEHR. No, I just called to ask him if it would be all right for us to make a delivery.

Senator ERVIN. And he told you not to cross the picket line.

Mr. LEHR. That is right.

Mr. KENNEDY. His testimony here is:

He said he knew the fellows down at the union and thought he could help us, and I told him to go ahead and try.

Mr. LEHR. I don't remember that.

I don't think I said that, Mr. Kennedy.

Mr. KENNEDY. Do you deny that?

Mr. LEHR. I do.

Mr. KENNEDY. Well, then, there is a direct conflict.

(At this point, Senator Church entered the hearing room.)

Mr. KENNEDY. And you subsequently called back and said that the problem could be solved if the Chief Pontiac Co. would sign a recognition contract with the union. Is that correct?

Mr. LEHR. I don't know how Mr. McLaughlin could make that statement. I have no knowledge of union affairs or dealings or contracts of any kind.

Mr. KENNEDY. That is what we are investigating here, how you were able to wield the influence in the union. Do you deny what Mr. McLaughlin said?

Mr. LEHR. Yes, I do.

Mr. KENNEDY. You deny that?

Mr. LEHR. Yes, I do.

Mr. KENNEDY. Then we have two direct denials.

Who did you contact down in the union?

Mr. LEHR. Who did I contact?

Mr. KENNEDY. Yes.

Mr. LEHR. Herman Kierdorf.

Mr. KENNEDY. Did you talk to Mr. Petroff?

Mr. LEHR. No.

Mr. KENNEDY. Here is the testimony on page 63: Mr. Warren, who was the steward at the time, testified:

Mr. WARREN. Two days, I believe.

Mr. Petroff told me that he had been contacted by, I believe it was, Joe Lehr of the Star Coverall Co., and a business agent of the Restaurant Workers' Union.

Did you talk to Mr. Petroff about this matter?

Mr. LEHR. The only time I spoke to Mr. Petroff was when Gib Bergstrom took over the Chief Pontiac Co. and I was willing to meet the new owner.

Mr. KENNEDY. No, this was back before that.

Let me go on with Mr. Warren's testimony.

That was Joe Lehr of the Star Coverall Supply Co.; is that right?

Mr. WARREN. Yes, sir. They had asked him and Kierdorf to meet for lunch to discuss the situation there. That afternoon, Mr. Kierdorf told me that the picket line would be pulled off, that Mr. Lehr and Mr. Davis, I believe it was, would intercede in our behalf with Frank McLaughlin and see that we got a contract provided we go back to work.

There is a direct conflict with your testimony, Mr. Lehr.

Mr. LEHR. I can only tell you the truth, Mr. Kennedy.

Mr. KENNEDY. That is about four conflicts. Now, let me go on to another situation.

(At this point, Senator McClellan withdrew from the hearing room.)

Mr. KENNEDY. What about where the employees of the Gib Bergstrom Pontiac Co. were interested in changing their supply from Star Coverall to the Arrow Coverall? Did you and Mr. Kierdorf go down and see the steward down there?

Mr. LEHR. They had a service manager there. I wish I had brought the letter. I lost it.

Mr. KENNEDY. Just answer the question. Did you and Mr. Kierdorf go down?

Mr. LEHR. Yes.

Mr. KENNEDY. Go ahead.

Mr. LEHR. They had a service manager there who demanded \$5.80 worth of free uniform service from us a week. I refused to give it to him; meanwhile, the Arrow Coverall Supply and the Central Coverall Supply had been in there offering price cuts and giveaway gimmicks and all kind of deals to take the account from us. The service manager was on their side.

But I didn't give them any new clothes because Mr. McLaughlin had told me he did not know whether he was going to stay in business or not. He might close or might stay open. It would have been silly of me to invest a lot of money in new ones and have the shop close up. The first I know was that the Arrow Coverall had gotten in there and made these fellows a deal.

I talked to the service manager, and he was very hostile and would not allow me to talk to the men. I called Mr. Kierdorf and said "Herman, I can't seem to talk to these men. Would you please arrange a meeting for me, so I can hold onto the shop." He did, and I drove over there and told them I would give them new garments if they would let me stay over there.

Mr. KENNEDY. Mr. Warren testified that the employees themselves were dissatisfied with the service you were performing; that they had voted to throw your company out; that they informed the service manager, and he was to make arrangements with a new company, and you and Mr. Kierdorf appeared. Why was Mr. Kierdorf interfering in this at all?

Mr. LEHR. I asked Mr. Kierdorf, Mr. Kennedy.

Mr. KENNEDY. And he was willing to do it?

Mr. LEHR. Yes. He was willing to help me.

Mr. KENNEDY. What about the Dick Haigh Pontiac Co.?

Mr. LEHR. What about the Dick Haigh Pontiac Co.?

Mr. KENNEDY. Did you talk to anybody from the Dick Haigh Pontiac Co. about their labor problems?

Mr. LEHR. No.

Mr. KENNEDY. You weren't responsible for keeping the union out of the Dick Haigh Pontiac Co.?

Mr. LEHR. No.

Mr. KENNEDY. Bill Root Chevrolet?

Mr. LEHR. I never had anything to do with Bill Root, except to arrange a luncheon for them between Ernie Grissom, Bill Root, and Mr. Kierdorf.

Mr. KENNEDY. Why did you do that?

Mr. LEHR. Mr. Grissom asked if I knew Mr. Kierdorf, and I said yes, I did.

Mr. KENNEDY. Why couldn't they do it directly? Why did they have to go through you?

Mr. LEHR. No particular reason, except that I knew Herman Kierdorf.

Mr. KENNEDY. But you are in the coverall business?

Mr. LEHR. I would help anyone, if I possibly could, Mr. Kennedy.

Mr. KENNEDY. Isn't it peculiar that they were coming to you to see Mr. Kierdorf?

Mr. LEHR. I talk to many people in the day.

Mr. Grissom asked if I could arrange a luncheon.

Mr. KENNEDY. What was the meeting to be about?

Mr. LEHR. A meeting between Bill Root, Mr. Grissom, and Mr. Kierdorf.

Mr. KENNEDY. Why did Mr. Root want to meet Mr. Kierdorf?

Mr. LEHR. I guess because he had a picket line out there, and it had been going on for some time.

Mr. KENNEDY. Some labor difficulties?

Mr. LEHR. Yes.

Mr. KENNEDY. He couldn't talk to Mr. Kierdorf directly?

Mr. LEHR. I didn't talk to Mr. Root directly. Mr. Grissom asked me to arrange the luncheon.

Mr. KENNEDY. Did you meet with Mr. Root at all?

Mr. LEHR. Yes; I met with Mr. Root.

Mr. KENNEDY. Why did you meet with Mr. Root?

Mr. LEHR. I happened to be in Mount Clemens, where they met for their luncheon, the three of them.

Mr. KENNEDY. You were just in the city of Mount Clemens?

Mr. LEHR. That is right. I live there.

Mr. KENNEDY. Did everybody in Mount Clemens meet them?

Mr. LEHR. No; just the four of us sat down at the table.

Mr. KENNEDY. You were at the luncheon?

Mr. LEHR. That is right.

Mr. KENNEDY. You just happened to be at the luncheon?

Mr. LEHR. I happened to be there; yes.

Mr. KENNEDY. What can you discuss?

Mr. LEHR. I didn't discuss anything. They discussed their labor problems.

Mr. KENNEDY. Why did they bring you along? What were you?

Mr. LEHR. They didn't bring me along. I just happened to be there.

Mr. KENNEDY. You just happened to drop by?

Mr. LEHR. That is right. I eat there quite frequently.

Mr. KENNEDY. Whom were you planning to eat with that day?

Mr. LEHR. Nobody in particular. I knew they were coming up, and I planned to eat with them.

Mr. KENNEDY. Did you have any other luncheon with Mr. Root?

Mr. LEHR. I believe he was over at Red Kemp's another time shortly after that, probably a week or two, I believe it was.

Mr. KENNEDY. And you just happened to go by for luncheon, too?

Mr. LEHR. No, I believe that meeting was arranged between Mr. Kierdorf and himself.

Mr. KENNEDY. Who was at that luncheon?

Mr. LEHR. Mr. Root and Mr. Kierdorf.

Mr. KENNEDY. The three of you?

Mr. LEHR. And I was there, too.

Mr. KENNEDY. What were you doing there?

Mr. LEHR. Nothing, just joined them.

Mr. KENNEDY. Just happened to be there?

Mr. LEHR. Just there.

Mr. KENNEDY. Nobody else there?

Mr. LEHR. Not to my knowledge. I don't remember anybody else being there; no.

Mr. KENNEDY. Were you in touch with Mr. Root then? You had had these luncheons with him. Were you in touch with him at all?

Mr. LEHR. Was I in touch with Mr. Root?

Mr. KENNEDY. Yes.

Mr. LEHR. No.

(At this point, Senator McClellan entered the hearing room.)

Mr. KENNEDY. You just met him for luncheons?

Mr. LEHR. That is right, and they discussed their problems.

Mr. KENNEDY. Did you call him?

Mr. LEHR. Did I call Mr. Root?

Mr. KENNEDY. Yes.

Mr. LEHR. I believe I called him there one day that they were going to take the picket line off.

Mr. KENNEDY. Did you talk on the phone?

Mr. LEHR. I believe so, yes. That is right.

Mr. KENNEDY. What did you talk about?

Mr. LEHR. Nothing in particular.

Mr. KENNEDY. About the picket line?

Mr. LEHR. That is right, that one item. Mr. Kierdorf told me they were going to take the picket line off and would I please call Mr. Root and tell him.

Mr. KENNEDY. Why couldn't he call, himself?

Mr. LEHR. I don't know. He told me to call him.

Mr. KENNEDY. Why did they always feel they had to go through you?

Mr. LEHR. No particular reason. He told me to call him. You want an honest answer and I am giving you one, Mr. Kennedy.

Mr. KENNEDY. When was that, around Christmas, 1957? Is that right?

Mr. LEHR. It might have been in that area. I don't remember.

Mr. KENNEDY. The strike, I believe, ended December 27, 1957.

Mr. LEHR. I know they had a lot of trouble out there, the violence and stuff.

Mr. KENNEDY. Did you cash a check on December 24, 1957?

Mr. LEHR. Did I cash a check? I might have. What check are you referring to?

Mr. KENNEDY. Can you identify that?

The CHAIRMAN. The Chair present to you a photostatic copy of a check dated December 24, 1957, made payable to you in the amount of \$3,000, given by George O. Kirtz. I hand it to you and ask you to examine it and state if you identify it.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

The CHAIRMAN. Do you identify the check?

Mr. LEHR. Yes, I do, Senator.

The CHAIRMAN. It may be made exhibit No. 13.

(The document referred to was marked "Exhibit No. 13" for reference and will be found in the appendix on p. 13273.)

The CHAIRMAN. Will you tell us now something about the check?

Mr. LEHR. It was a personal loan made to me by Mr. Kirtz.

The CHAIRMAN. A personal loan?

Mr. LEHR. That is right.

The CHAIRMAN. Had you forgotten about it?

Mr. LEHR. Had I forgotten about the loan?

The CHAIRMAN. Yes, until you were asked just now.

Mr. LEHR. No, I had not forgotten about it.

The CHAIRMAN. All right.

Mr. KENNEDY. You put this in the business?

Mr. LEHR. No, that was my own personal expenses. It has been paid back, the greatest portion has been paid back.

Mr. KENNEDY. Just explain. You got this check. Who is this man George O. Kirtz?

Mr. LEHR. He owns a restaurant and bar out in Mount Clemens—a friend of mine.

Mr. KENNEDY. He made a check out for \$3,000 to you?

Mr. LEHR. That is right.

Mr. KENNEDY. For what reason?

Mr. LEHR. I asked him for a loan of \$3,000, a personal loan.

Mr. KENNEDY. What did you do with the money?

Mr. LEHR. My own personal expenses, living expenses, payments and such.

Mr. KENNEDY. You cashed that?

Mr. LEHR. Yes.

Mr. KENNEDY. What did you do with the \$3,000 in cash?

Mr. LEHR. I made various payments of money owed.

Mr. KENNEDY. Who did you make the payments to?

Mr. LEHR. I would have to go back and look at the records.

Mr. KENNEDY. Do you have records?

Mr. LEHR. I probably have at home, receipts and such.

Mr. KENNEDY. What records do you have?

Mr. LEHR. I don't recall now.

Mr. KENNEDY. You don't have any bank accounts.

Mr. LEHR. No.

Mr. KENNEDY. What did you do with the \$3,000?

Mr. LEHR. As I say, I made payments on stuff that I owed.

Mr. KENNEDY. This is 6 months ago. What did you do with the cash you got?

Mr. LEHR. I repeat, Mr. Kennedy, I used it for my own personal expenses.

The CHAIRMAN. Name one thing that you did with it?

Mr. LEHR. I paid Mr. Weiss \$800.

The CHAIRMAN. Where does he live?

Mr. LEHR. Mount Clemens.

The CHAIRMAN. You paid him \$800 out of it?

Mr. LEHR. That is right.

The CHAIRMAN. What did you do with the next chunk out of it?

Mr. LEHR. I don't recall it all, Senator.

The CHAIRMAN. If you don't recall it all, tell us what you do recall. Can you recall any other payments?

Mr. LEHR. I would be very happy to get the information for you.

The CHAIRMAN. I know you will, but let's see what you can recall now.

Mr. LEHR. Offhand I probably made payments on my home.

The CHAIRMAN. On your home?

Mr. LEHR. That is right.

The CHAIRMAN. To whom?

Mr. LEHR. To whom?

The CHAIRMAN. Yes.

Mr. LEHR. Arthur Gioneggi, at the time.

The CHAIRMAN. Has he got a mortgage on your home?

Mr. LEHR. No; not now he hasn't.

The CHAIRMAN. Did he have then?

Mr. LEHR. Yes; he did.

The CHAIRMAN. Was it recorded?

Mr. LEHR. Is it recorded?

The CHAIRMAN. Was it?

Mr. LEHR. Yes.

Mr. KENNEDY. You say you did make a payment on your home to him?

Mr. LEHR. Yes; I made a payment to him.

The CHAIRMAN. How much?

Mr. LEHR. I don't remember now.

The CHAIRMAN. What were your payments on your home?

Mr. LEHR. \$125 a month. Sometimes I paid him \$200 or better. It all depends on the months.

The CHAIRMAN. Can you think of any other?

Mr. LEHR. Not offhand I can't, no.

The CHAIRMAN. Were you on a salary at the time?

Mr. LEHR. Am I on a salary? Yes, I am.

The CHAIRMAN. What is your salary?

Mr. LEHR. Well, my income is about \$12,000 a year.

The CHAIRMAN. About \$12,000 a year. Have you any other income besides that?

Mr. LEHR. No, sir, I have not.

The CHAIRMAN. You have an interest in the business, haven't you?

Mr. LEHR. Yes, sir.

The CHAIRMAN. Do you get any income from that business?

Mr. LEHR. That is the income I am referring to.

The CHAIRMAN. Have you any other income from the business in addition to your salary?

Mr. LEHR. No.

The CHAIRMAN. At the end of the year, do you divide the profits?

Mr. LEHR. There haven't been any as yet.

The CHAIRMAN. When did this thing start, this Star Co.?

Mr. LEHR. October 1952.

The CHAIRMAN. October 1952, and you never made a profit yet?

Mr. LEHR. Well, we haven't been able to split a profit or take any money out of the company.

The CHAIRMAN. You have kept putting it back in?

Mr. LEHR. We borrowed a lot of money to keep our business going, Senator.

Mr. KENNEDY. You bought a laundry also, didn't you?

Mr. LEHR. We built a laundry.

Senator ERVIN. Why are you mad at the banks?

Mr. LEHR. Why am I mad at the banks?

Senator ERVIN. Yes.

Mr. LEHR. I am not mad at the banks. I don't have that much money to spare to keep in the bank.

Senator ERVIN. Well, you got \$3,000 here. You could have put that in the bank and written some checks on it and you would have had a record.

Mr. LEHR. That was a personal loan for my personal expenses.

Senator ERVIN. You never have deposited any of your personal funds in the bank in your whole life?

Mr. LEHR. I had a bank account years and years ago.

Senator ERVIN. How long has it been since you had a personal bank account?

Mr. LEHR. I would say 9 or 10 years.

Senator ERVIN. You are a businessman?

Mr. LEHR. We have a company account.

Senator ERVIN. I am talking about a personal account. You get \$12,000 a year salary and you never put a penny of it in the bank for 10 years?

Mr. LEHR. No, I have not.

Senator ERVIN. Why don't you?

Mr. LEHR. Well, I just don't have any reasons. There is never that much money left lying around out of my income.

Senator ERVIN. You don't get rid of your \$1,000 income each month as soon as you get it, do you?

Mr. LEHR. Yes, it is eaten up pretty fast.

Senator ERVIN. And you always go around and pay your bills in person?

Mr. LEHR. I always go around and buy money orders.

Senator ERVIN. So it looks like you are mad at the Post Office too, as well as the bank?

Mr. LEHR. I like the money orders.

Senator ERVIN. Instead of writing checks and mailing them, if you have to remit any payments by mail, you go to the trouble of going and buying a postal money order?

Mr. LEHR. Well, I will tell you, in my business we get so many small personal checks that bounce that I think if less of them were around we would have less trouble with bouncing checks.

Senator ERVIN. You don't get checks overdrawn.

Mr. LEHR. I could get overdrawn like any of us.

Senator ERVIN. So the reason you don't put money in the bank is because you might have checks that bounce?

Mr. LEHR. Not necessarily. If I have money, I pay a bill.

Senator ERVIN. So you go to the trouble of going to the post office, to stand in line, and buy a money order?

Mr. LEHR. There is no trouble at all. I am in the bank every day.

Senator ERVIN. Is that the only reason you have for not banking?

Mr. LEHR. The only reason.

Senator ERVIN. Don't you think it is a rather foolish one?

Mr. LEHR. No, I don't.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Bill Root testified that he believed that you were responsible for settling his difficulties with the union.

Mr. LEHR. I had nothing to do with the settling of Bill Root's difficulties. His difficulties went on long after he had that luncheon.

Mr. KENNEDY. You had some conversations and conferences with him?

Mr. LEHR. No.

Mr. KENNEDY. I thought you just testified to that.

Mr. LEHR. To what, that I had a conversation with Bill Root?

Mr. KENNEDY. Yes.

Mr. LEHR. You asked me if I discussed any labor problems with anybody and I said, "No."

Mr. KENNEDY. You said you discussed it with Bill Root?

Mr. LEHR. His problems?

Mr. KENNEDY. Yes.

Mr. LEHR. All I did was arrange a luncheon.

Mr. KENNEDY. You had two luncheons.

Mr. LEHR. I didn't discuss them. They discussed them.

Mr. KENNEDY. You just sat there?

Mr. LEHR. I sat there; yes.

Mr. KENNEDY. You called him and told him they were going to take the picket line off.

Mr. LEHR. When Mr. Kierdorf called me and told me.

Mr. KENNEDY. You called him then.

Mr. LEHR. I called him.

Mr. KENNEDY. That is a discussion. When you are talking with somebody, you are discussing it.

Mr. LEHR. I gave Mr. Root a message.

Mr. KENNEDY. That is discussing it.

Mr. LEHR. To my mind, it isn't.

Mr. KENNEDY. Is that the definition, then, that we have been proceeding under, when you talk to somebody, that that is not a discussion? You talked to Mr. Root about it, then?

Mr. LEHR. No; I didn't.

Mr. KENNEDY. You told him something.

Mr. LEHR. I gave Mr. Root a message.

Mr. KENNEDY. You were present at two luncheons.

Mr. LEHR. Two luncheons, that is right.

The CHAIRMAN. What did you hear at those luncheons?

Mr. LEHR. Their problems with unionization. I don't recall what they were.

I don't know.

The CHAIRMAN. Did you arrange the luncheon?

Mr. LEHR. I did.

The CHAIRMAN. Why?

Mr. LEHR. Mr. Grissom asked me to.

The CHAIRMAN. Who is Mr. Grissom to ask you to arrange the luncheon?

Mr. LEHR. A good friend of mine, a customer of mine.

The CHAIRMAN. Why couldn't he arrange the luncheon?

Mr. LEHR. He didn't know Mr. Kierdorf.

The CHAIRMAN. He didn't?

Mr. LEHR. No.

The CHAIRMAN. So he was using you as a middleman to help settle the thing, and as a middleman you had no discussion?

Mr. LEHR. I had no discussion. He asked me if I knew Mr. Kierdorf, and I said, "Yes," and he asked if I would arrange a luncheon, and I said, "Yes."

Mr. KENNEDY. Then you had conversations with Mr. Root after that.

Mr. LEHR. I did?

About labor troubles?

Mr. KENNEDY. Yes.

Mr. LEHR. No, I didn't. The only discussions I had with Mr. Root were about his laundry company and who he had in there.

Mr. KENNEDY. About what?

Mr. LEHR. His laundry company, his overall company.

Mr. KENNEDY. Was that during this period of time?

Mr. LEHR. Yes. I believe it was the first time I met him.

Mr. KENNEDY. You did discuss that?

Mr. LEHR. Yes.

Mr. KENNEDY. Then you talked to him on the telephone after that, did you not, about his laundry business?

Mr. LEHR. No.

Mr. KENNEDY. You talked about his labor business?

Mr. LEHR. No.

Mr. KENNEDY. Not at all?

Mr. LEHR. I had no reason to talk about his labor business.

Mr. KENNEDY. Did you talk about his laundry business?

Mr. LEHR. Not on the telephone.

Mr. KENNEDY. What did you talk about on the telephone, then?

Mr. LEHR. The only time I talked to Mr. Root, if I remember correctly, was the time I called about the message of Mr. Kierdorf.

Mr. KENNEDY. Will you tell the committee what the record shows? That is very interesting.

The CHAIRMAN. First, let me ask you who is Doc?

Mr. LEHR. Doc?

The CHAIRMAN. Yes.

Mr. LEHR. Mr. Kierdorf.

Senator ERVIN. It appears here that even after you introduced Mr. Root to Mr. Kierdorf and had arranged luncheons for them, that still Mr. Kierdorf could not communicate with Mr. Root except through you as an intermediary.

Mr. LEHR. I believe he could, had he wanted to.

Senator ERVIN. But he didn't.

Mr. LEHR. I don't know.

Senator ERVIN. You arranged the lunch and arranged to transmit the message after they decided to pull the picket line on it.

Mr. LEHR. I didn't arrange it. Mr. Kierdorf called me.

Senator ERVIN. He called you and asked you to notify Mr. Root.

Mr. LEHR. That is right.

Senator ERVIN. Didn't it strike you sort of strange that he couldn't call Mr. Root himself?

Mr. LEHR. I don't know. Possibly. They were having little arguments, I guess, in court, and out on the sidewalk and everything else.

The CHAIRMAN. Let's see what the record shows.

Mr. SALINGER. December 21, 1957, at 2:13 p. m., a call was made from Bill Root's Chevrolet Co. to the home of Mr. Lehr in Mount Clemens, Mich.

Two minutes later, a call was made from the Bill Root Chevrolet Co. to the office of Ernie Grissom, the Ernie Grissom Chevrolet Co. At 3:40 p. m. the same day, a call was made from Mr. Lehr's home to the Bill Root Chevrolet Co. At 10:40 a. m. the following morning, a call was made from Mr. Lehr's residence to the residence of Mr. Herman Kierdorf.

Mr. KENNEDY. What were you talking to Mr. Root about?

Mr. LEHR. I don't recall, Mr. Kennedy, what I was talking about.

Mr. KENNEDY. It is ridiculous, when you deny you were talking or discussing labor problems.

Mr. LEHR. I don't deny. I said I don't remember.

The CHAIRMAN. Were you taking a cue from Hoffa?

Mr. LEHR. No, sir.

The CHAIRMAN. That is, failing memory?

Mr. LEHR. No, sir.

Mr. KENNEDY. Where did this luncheon take place?

Mr. LEHR. The first luncheon?

Mr. KENNEDY. Yes. Mount Clemens?

Mr. LEHR. Yes.

Mr. KENNEDY. Whereabout?

Mr. LEHR. Kirtz Tavern.

Mr. KENNEDY. That is the same Kirtz that gave you this check?

Mr. LEHR. Yes.

Mr. KENNEDY. The same man?

Mr. LEHR. Yes.

Mr. KENNEDY. The same place where the luncheon was held?

Mr. LEHR. That is right.

Mr. KENNEDY. The check for the \$3,000?

Mr. LEHR. That is right.

Mr. KENNEDY. Did you give any of that cash to anyone?

Mr. LEHR. No, sir.

Mr. KENNEDY. You never gave any money to Mr. Kierdorf?

Mr. LEHR. No, sir.

Mr. KENNEDY. You never gave any money to any union official, directly or indirectly?

Mr. LEHR. No, sir.

Mr. KENNEDY. You never did?

Mr. LEHR. No, sir.

Mr. KENNEDY. You just happened to need that cash just 3 days before the strike was settled?

Mr. LEHR. That is right.

Mr. KENNEDY. What about the Jefferson Chevrolet? Can you tell us whether you had any conversations with Ray Tessmer about his union difficulties?

Mr. LEHR. He mentioned the fact, when I was in there one day with Mr. Dawson, that he had received a telegram, to my best recollection.

Mr. KENNEDY. This is one of the companies that you mentioned. Did you go in to visit Jefferson Chevrolet?

Mr. LEHR. Did I visit them? Yes; I was there with Mrs. Dawson twice, I believe.

Mr. KENNEDY. You were there with Mrs. Dawson?

Mr. LEHR. That is right.

Mr. KENNEDY. Were they having union difficulties at the time?

Mr. LEHR. Not to my knowledge.

Mr. KENNEDY. They were not having union difficulties?

Mr. LEHR. No.

Mr. KENNEDY. Why did you happen to go in to see Jefferson Chevrolet?

Mr. LEHR. Mrs. Dawson had asked me to take her in there.

Mr. KENNEDY. She knew Mr. Tessmer?

Mr. LEHR. She told me she didn't.

Mr. KENNEDY. She told you she did not know Mr. Tessmer?

Mr. LEHR. That is right.

Mr. KENNEDY. I asked you that downstairs, and you said she probably did know Mr. Tessmer.

Mr. LEHR. She told me she didn't.

Mr. KENNEDY. You didn't tell me that 2 hours ago.

Mr. LEHR. That is why she asked me to introduce her to him..

Mr. KENNEDY. Why didn't you explain that to me downstairs?

Mr. LEHR. I don't recall what I said to you downstairs, but, to the best of my knowledge, Mrs. Dawson said to me she didn't know Mr. Tessmer.

Mr. KENNEDY. That is why she asked you to take her there?

Mr. LEHR. That is right.

Mr. KENNEDY. He had nothing to do with this union difficulty? Did it have anything to do with Mr. Grissom?

Mr. LEHR. Mr. Tessmer knew Mr. Grissom; yes.

Mr. KENNEDY. Did it have anything to do with Mr. Tessmer having labor difficulty?

Mr. LEHR. No. Mr. Grissom asked me to see him about his laundry business.

Mr. KENNEDY. To do what?

Mr. LEHR. To go see Ray Tessmer about getting his laundry account.

Mr. KENNEDY. Did you go in to see him?

Mr. LEHR. Not right away; no.

Mr. KENNEDY. When did you go to see him?

Mr. LEHR. I met Mr. Tessmer shortly after that in Red Kemp's, having lunch. That was the first time I had seen him.

The next time I was in there was with Mrs. Dawson.

Mr. KENNEDY. Mr. Tessmer testified, Mr. Lehr, that Mr. Grissom sent you in to see him, and Mrs. Dawson says that you brought her in.

Mr. LEHR. I did bring her in.

Mr. KENNEDY. Those are two different witnesses.

Mr. LEHR. I did take Mrs. Dawson in.

Mr. KENNEDY. Can you explain Mr. Tessmer's testimony that you were sent in by Ernie Grissom?

Mr. LEHR. No; I can't. I don't have any idea what it is all about on his part.

Mr. KENNEDY. And Mrs. Dawson said she had known Tessmer for a long period of time, and that you were sent in there by Grissom, and you brought her along to get her the account?

Mr. LEHR. That is right.

Mr. KENNEDY. Is that right?

Mr. LEHR. I took her in there.

Mr. KENNEDY. Wait a minute.

Mr. LEHR. I took her in there.

Mr. KENNEDY. To get the account?

Mr. LEHR. To get the account.

Mr. KENNEDY. That was because it had been arranged by Mr. Grissom?

Mr. LEHR. No, sir; she asked me if I could get her the Jefferson Chevrolet and if I knew Ray Tessmer.

Mr. KENNEDY. Did you tell her that you had only met him once?

Mr. LEHR. No, I didn't.

Mr. KENNEDY. I don't understand what you were doing bringing her in there. Her story makes some sense, and your story doesn't make any sense.

Mr. LEHR. I am giving you an honest story and Mrs. Dawson asked me to take her in there and she wanted the laundry business.

Mr. KENNEDY. How were you going to be able to get the laundry business for her?

Mr. LEHR. I wasn't sure I was going to be able to get it at all.

Mr. KENNEDY. What made her think you would be able to get it?

Mr. LEHR. I don't know.

Mr. KENNEDY. Mr. Tessmer's testimony was that you were sent in there by Mr. Grissom because you could maneuver with the union?

Mr. LEHR. I don't know why I would make a statement like that.

Mr. KENNEDY. I don't know why you would make it unless it is true.

Senator ERVIN. Is your business unionized?

Mr. LEHR. Yes, sir.

Senator ERVIN. With what union?

Mr. LEHR. Local 285 of the Laundry and Linen Driver's Local.

Mr. KENNEDY. Now this is the testimony of Mr. Tessmer, on page 102:

Question. Had you talked to Ernie Grissom about it?

Mr. TESSMER. Yes.

Question. You talked to Ernie Grissom?

Mr. TESSMER. At our Chevrolet meetings we talked.

Question. Had you told him about the labor difficulties you were having?

Mr. TESSMER. Not particularly. We talked about all labor unions.

Question. Did you mention specifically that the union was trying to organize your employees?

Mr. TESSMER. Well, I just said that my boys were joining the union, that is right, and he said, "I think Joe Lehr knows the boys at the union."

Question. So he said Joe Lehr had some friends amongst the union?

Mr. TESSMER. That is right. And he said he would—

Question. Send him over?

Mr. TESSMER. Send him over and see if he could do anything. Well at that particular time I did not have no trouble.

Question. You were not having any trouble. Did Joe Lehr come anyway?

Mr. TESSMER. No; I did not have any trouble.

Question. Did Joe Lehr come there?

Mr. TESSMER. Yes; he came over.

Question. What conversation did you have?

Mr. TESSMER. Well, that is all. He just said, "Well, I will take and talk to them."

Mr. KENNEDY. Did you do that?

Mr. LEHR. I don't remember that; no.

Mr. KENNEDY. Now, you say you don't remember.

Mr. LEHR. I don't recall that incident, Mr. Kennedy. My only recollection of being in there was with Mrs. Dawson twice.

Mr. KENNEDY. That is less than a year ago, and you should be able to remember that.

Mr. LEHR. I understand.

Mr. KENNEDY. Isn't it a fact you went there because of your union connections?

Mr. LEHR. No, it is not a fact.

Mr. KENNEDY. And you were going to get the business for anybody you wanted because you were a friend of Herman Kierdorf?

Mr. LEHR. No, sir.

Mr. KENNEDY. Isn't it a fact that that is the procedure that you have been using in Detroit?

Mr. LEHR. No.

Mr. KENNEDY. In half a dozen or 12 different cases?

Mr. LEHR. No; absolutely not.

MR. KENNEDY. Was there a telegram from the union on the desk at the time you came in?

MR. LEHR. I believe there was a telegram. They pulled it out.

MR. KENNEDY. Did you discuss the telegram?

MR. LEHR. No.

MR. KENNEDY. What did he bring the telegram out for?

MR. LEHR. I don't remember the fact, or the contents of the telegram.

MR. KENNEDY. How did you remember he brought a telegram out?

MR. LEHR. I recall the incident, and I was interested in it and it wasn't any problem of mine.

MR. KENNEDY. If somebody brought a telegram out and you didn't know anything about it, why would you remember that? You are having such a bad memory anyway.

MR. LEHR. I didn't have any reason.

MR. KENNEDY. What did he say about the telegram?

MR. LEHR. I don't recall what he said, and I don't remember.

MR. KENNEDY. What was it about—the telegram?

MR. LEHR. I haven't the slightest idea, and I couldn't tell you what it was.

MR. KENNEDY. Who sent the telegram?

MR. LEHR. I don't know.

MR. KENNEDY. According to Mrs. Dawson this morning, in this morning's testimony, you said:

You have heard from Petroff, and that is why I am here.

MR. LEHR. Mrs. Dawson has an awfully good memory and I can't remember it.

MR. KENNEDY. We are talking about Tessmer's testimony and Mrs. Dawson's testimony.

MR. LEHR. I don't remember it.

MR. KENNEDY. They have both testified contrary to what you are testifying.

MR. LEHR. I can't help that, and I don't recall the incident.

MR. KENNEDY. Do you deny that it took place?

MR. LEHR. I don't remember.

MR. KENNEDY. This is November 1, 1957?

MR. LEHR. I don't remember.

THE CHAIRMAN. That is 9 months ago. Either they are not telling the truth, or you are perjuring yourself, and you know it.

MR. LEHR. Mr. Chairman, I am telling you the truth to the best of my ability, and the best of my recollection, I am trying to help. I have cooperated with Mr. Salinger for the last 4 months. I don't know what the contents of that telegram were and I can't tell you.

MR. KENNEDY. What has impaired your recollection?

MR. LEHR. I just don't remember.

THE CHAIRMAN. It doesn't make any sense.

Proceed.

MR. KENNEDY. We have more cases like this.

THE CHAIRMAN. Make the record. Now this witness is testifying contradictory to the testimony we have had here, and some of these witnesses impressed me as telling the truth. I could be deceived, and I have been a few times. But these witnesses impressed me as trying to tell the truth.

Now you are impressing me as relying on feeble memory, unnecessarily so, except for your convenience at the moment. We are going to make this record, and proceed with it.

Mr. KENNEDY. Did you bring anybody else in to see them at Jefferson Chevrolet?

Mr. LEHR. Yes, Mr. Dick Dalitz.

Mr. KENNEDY. Of whom?

Mr. LEHR. Michigan Industrial Laundry.

Mr. KENNEDY. Did they get the account? Why did you bring them in?

Mr. LEHR. He asked me if I knew Ray Tessmer.

Mr. KENNEDY. He asked you, to?

Mr. LEHR. Yes, sir.

Mr. KENNEDY. Everybody thinks you know Ray Tessmer?

Mr. LEHR. That is right.

Mr. KENNEDY. And it had nothing to do with the labor difficulties?

Mr. LEHR. None whatsoever.

Mr. KENNEDY. He just said, "Do you know Ray Tessmer?"

Mr. LEHR. That is right.

Mr. KENNEDY. And you brought him in?

Mr. LEHR. That is right.

Mr. KENNEDY. And did you say, "I have only met him a couple of times"?

Mr. LEHR. That is right.

Mr. KENNEDY. And he still wanted you to bring him in?

Mr. LEHR. That is right.

Mr. KENNEDY. And you brought him in?

Mr. LEHR. I did.

Mr. KENNEDY. And he got the account?

Mr. LEHR. He got the account sometime after that.

Mr. KENNEDY. He got the account?

Mr. LEHR. I guess he did; yes, sir.

Mr. KENNEDY. Now that is just ridiculous. You were in touch with Mr. Tessmer during this period of time?

Mr. LEHR. I might have called him.

Mr. KENNEDY. What were you calling him about?

Mr. LEHR. I honestly can't remember any of the conversation, and it might have been Mrs. Dawson wanting the account or it might have been Mr. Dalitz wanting the account, I don't remember.

Mr. KENNEDY. Why were you calling him?

Mr. LEHR. Why would I call him?

Mr. KENNEDY. Yes.

Mr. LEHR. I just said, over those two items.

Mr. KENNEDY. Were you in touch with Mr. Kierdorf during this period of time?

Mr. LEHR. I probably saw Herman; yes.

Mr. KENNEDY. Did you discuss this with Mr. Kierdorf?

Mr. LEHR. What?

Mr. KENNEDY. About the difficulties of Tessmer?

Mr. LEHR. No.

Mr. KENNEDY. You didn't discuss that with him?

Mr. LEHR. No.

Mr. KENNEDY. You weren't discussing that with Mr. Tessmer?

Mr. LEHR. I had nothing to do with Mr. Tessmer's difficulties.

Mr. KENNEDY. You weren't calling Mr. Kierdorf about those difficulties?

Mr. LEHR. No.

Mr. KENNEDY. It is of some interest, the relation of these telephone calls, Mr. Chairman, and this witness is just not telling the truth.

The CHAIRMAN. Give me the telephone calls.

If these are not true, say so. We are going to refresh your memory.

Mr. SALINGER. To put this in the context, Mr. Chairman, the telegram from Local 376 of the Teamsters to the Jefferson Chevrolet Co. commanding recognition of the union as a bargaining agent was delivered by the Western Union between 1:54 p. m. and 3:02 p. m. on November 1, 1957. That is the same day that Mrs. Dawson testified she went to the Jefferson Chevrolet Co. with Mr. Lehr.

The CHAIRMAN. The telegram had been received?

Mr. SALINGER. Yes, sir; and now at 12:01 p. m. on that day there was a call from the Jefferson Chevrolet Co. to the Ernie Grissom Co. in Mount Clements, and there was another call from the Jefferson Chevrolet Co. to the Ernie Grissom Co. at 3:15 p. m.

Mr. KENNEDY. Just before that, so that we can clarify it, the day before, Mr. Tessmer testified he had some conversation with Mr. Petroff.

Mr. SALINGER. Yes, sir; and that probably accounted for the 12:01 call before the telegram was received.

Mr. KENNEDY. There was another call after that?

Mr. SALINGER. Yes; and the following morning, on November 2, 1957, at 9:17 a. m., there was a call from the home of Mr. Lehr to the home of Mr. Kierdorf. Again on November 5 there is a call from the Jefferson Chevrolet Co. to the Ernie Grissom Co., and there are two calls on the 6th, followed by a call on the evening of the 6th from Mr. Lehr's home to the home of Mr. Kierdorf.

Again on the 7th, there are two calls, one from the Jefferson Chevrolet Co., followed by a call from Mr. Lehr's home to Mr. Kierdorf's home. Finally, on the 21st of November, there is a call from the Jefferson Chevrolet Co. to the Ernie Grissom Co., followed by a call the following morning from Mr. Lehr's home to Mr. Kierdorf's home.

Mr. LEHR. What do you mean, "followed by"?

Mr. SALINGER. I mean a call was placed in the evening or I will give you some examples. A call would be made at 8:56 p. m. at night from the Jefferson Chevrolet Co. to Ernie Grissom's, and the following morning at 8:13 a. m. you are on the phone with Mr. Kierdorf.

Mr. LEHR. Are you trying to connect up these calls between Jefferson Chevrolet and my call to Mr. Kierdorf?

Mr. KENNEDY. Didn't you testify Mr. Grissom sent you in there?

Mr. LEHR. You are not getting my point. The fact that I called Mr. Kierdorf, possibly on the same day, how would that have any bearing on this call?

The CHAIRMAN. You were taking your instructions from him?

Mr. LEHR. No, I didn't have any instructions.

The CHAIRMAN. You were in there settling these strikes and so forth?

Mr. LEHR. I never settled a strike.

The CHAIRMAN. You were arranging lunches and so forth?

Mr. LEHR. I arranged a meeting for them.

The CHAIRMAN. You were an intermediary.

Proceed.

Senator ERVIN. Everything seemed to get settled when you came on the scene. I am sorry that the State Department can't send you over to the Middle East. Maybe you could get things settled over there.

The CHAIRMAN. Proceed.

Mr. KENNEDY. What about the Dawson Taylor Chevrolet Co.?

Mr. LEHR. Mr. Kierdorf introduced me to Mr. Knight, and I knew Mr. Knight, and he took me over.

Mr. KENNEDY. If you knew him, why did he have to introduce you to him?

Mr. LEHR. He took me over there, and I didn't know Mr. Knight was there.

Mr. KENNEDY. Did you know Mr. Knight before?

Mr. LEHR. Yes, sir.

Mr. KENNEDY. Why did he have to take you over?

Mr. LEHR. I asked him to help me get a little business.

Mr. KENNEDY. What did he say, "I will introduce you to Mr. Knight"?

Mr. LEHR. That is right.

Mr. KENNEDY. Why did he have to go? You could have said, "I already know Mr. Knight."

Mr. LEHR. He didn't mention Mr. Knight.

Mr. KENNEDY. You just said he did.

Mr. LEHR. I knew Mr. Knight when I got there.

Mr. KENNEDY. You just told me he said, "I will take you over and introduce you to Mr. Knight."

Mr. LEHR. It would have been a different "Knight," and I knew Cliff Knight when I got there.

Mr. KENNEDY. Why did Mr. Kierdorf have to come over there, and why would you get Mr. Kierdorf?

Mr. LEHR. I told you, I was trying to fight back at the association members who were jumping all over me, and I asked Mr. Kierdorf for a little help.

Mr. KENNEDY. Do you know this kind of activity of going out and using a union to get business for a company is specifically covered in title 18, section 1951, of the Hobbs Act? This is a violation of the law.

Mr. LEHR. I didn't know that.

Mr. KENNEDY. Getting a union official to get business for a company, either for his own company or for a company or a friend and using union power for that purpose is a violation of the law.

Mr. LEHR. I don't think that he got any business for me. In my mind he introduced me, Mr. Kennedy. I did the selling and dealing with these people.

Mr. KENNEDY. We have had at least 8 cases that I can think of where we have had testimony to the contrary, where he involved himself, and although your testimony contradicts some of that testimony it supports it in part, and in a number of cases where your testimony is contradictory you have 2 witnesses on the other side.

This is the record that has been established, and there are a number of other companies like Rollie Barrett Chrysler Co.

Did Kierdorf help you with that?

Mr. LEHR. He introduced me to Don Barrett.

Mr. KENNEDY. There is another one. What about Ralph Ellsworth Ford Co.?

Mr. LEHR. He introduced me to Ralph Ellsworth.

Mr. KENNEDY. That is another one. Those are two I had skipped.

The CHAIRMAN. How many others are there that we don't have a record of?

Mr. LEHR. That is all, Senator. I mentioned 3 or 4 to you, and I believe it was 3.

Mr. KENNEDY. I will tell you the ones we have discussed. Frank McLaughlin Pontiac.

Mr. LEHR. We had that account 4 years ago.

Mr. KENNEDY. And your interference in that is covered by the testimony of Mr. McLaughlin, and your participation in that.

The Gib Bergstrom Pontiac Co. and Dick Haigh Pontiac.

Mr. LEHR. That is one and the same. He bought that other one.

Mr. KENNEDY. You were active twice?

Mr. LEHR. We had the account there.

Mr. KENNEDY. You came in and according to the testimony that we had of Mr. Warren, you came in and through the efforts of Mr. Kierdorf they were forced to keep your company when they wanted to switch to Arrow.

Mr. LEHR. They weren't forced to do anything.

Mr. KENNEDY. Mr. Warren testified——

Mr. LEHR. They agreed to stay with us.

Mr. KENNEDY. Mr. Warren testified if it had not been for the interference of Mr. Kierdorf, they wouldn't have kept your company.

Then there is the Bill Root Chevrolet, the Jefferson Chevrolet, and Ralph Ellsworth Ford, and Hanley Dawson Chevrolet, and Dawson Taylor Chevrolet, and the Rollie Barrett Chrysler Co., and that is based on a limited investigation.

I don't know what we would have done if we had stayed out there.

Senator CHURCH. How many does that come to, Mr. Kennedy?

Mr. KENNEDY. I believe it is nine.

Senator CHURCH. It comes to nine automobile dealers?

Mr. KENNEDY. One just changed its name.

Mr. LEHR. I don't have all of those companies.

Mr. KENNEDY. There are eight different ones.

Senator CHURCH. How many automobile dealerships do you do business with and supply services for?

Mr. LEHR. I would say about 20.

Senator CHURCH. So that in the course of this investigation, approximately half of your dealerships with whom you do business involve Mr. Kierdorf in connection with the procurement?

Mr. KENNEDY. He got business on several of those occasions for someone else other than his own company.

Senator CHURCH. But in connection with your own company, you do business now with about 20 of these dealerships?

Mr. LEHR. Yes, and I have two on that list there.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. No.

The CHAIRMAN. The Chair will state in each instance where we find testimony in such irreconcilable conflict between witnesses who have the same opportunity to know what the facts are, we have no alterna-

tive except to refer the transcript to the Justice Department. That will be done in this instance.

This committee is an agency of the Congress of the United States. People should not be permitted to trifle with it, and to come up here and commit perjury. Certainly the Justice Department has the duty to pursue it.

I don't know what atrocities would disclose, but it will be the duty of the Justice Department to make such additional investigations as it feels are warranted. But someone is imposing on this committee. In doing so they are imposing upon their Government.

I hope and I trust and I believe that the Justice Department will be conscious of the importance and the significance of perjured testimony before a duly constituted committee of the Congress such as this, and where they have committed perjury, if conjections can be obtained, it might have a salutary effect in the future.

It might serve somewhat as a deterrent, and I hope this matter will be pursued. I am not identifying any individual at this moment, but I am confident that this committee has been imposed upon, and that such action should be taken.

This is the last witness for today, I think.

Mr. KENNEDY. I forgot a matter, and I would like to ask about it. Mr. Lehr, Mrs. Dawson testified that you told her that if she came down and cooperated with the committee that she would receive a letter. Could you tell us what you meant by that?

Mr. LEHR. I never made any such statement to Mrs. Dawson.

Mr. KENNEDY. You never did?

Mr. LEHR. Absolutely not.

Mr. KENNEDY. That is entirely incorrect? And did you say anything similar to that?

Mr. LEHR. Nothing whatsoever.

Mr. KENNEDY. You never threatened her?

Mr. LEHR. I haven't any reason to threaten Mrs. Dawson, and I never threatened anyone.

Mr. KENNEDY. Did you ask her if she was cooperating with the committee?

Mr. LEHR. Yes; I called Mrs. Dawson; and when her husband called me and told me she had gone East to testify before the committee, I was shocked, and I didn't know what her reasons were. She came back, and I called her, and we had coffee, and I said, "Did you go East to testify to the committee, and what reason could you possibly have for it?" and she said—and we talked about other things for an hour, and I drove her back to her office.

Mr. KENNEDY. Why were you shocked?

Mr. LEHR. She had no reason to go to the committee.

The CHAIRMAN. How did you know?

Mr. LEHR. Well, as far as Star Coverall was concerned, we hadn't done anything.

The CHAIRMAN. How do you know that the committee didn't want her for some other purpose?

Mr. LEHR. Her husband made a statement to me that she went East to testify about the overall and linen business.

The CHAIRMAN. And you got busy immediately?

Mr. LEHR. I didn't get busy.

The CHAIRMAN. You went to see her?

Mr. LEHR. Yes.

The CHAIRMAN. And you took her to lunch or coffee, and talked to her about it?

Senator ERVIN. That must have been before you had lost your memory and while you remembered some things that you were afraid you might be implicated about?

Mr. LEHR. I haven't lost my memory, and this woman had come to me and I had befriended her.

Senator ERVIN. If she didn't know anything that would show any wrongdoing on your part, why were you so shocked by your thought that she had gone to the committee?

Mr. LEHR. I was shocked, and she had no reason to go to the committee and there was nothing involved.

Senator ERVIN. But it shocked you so much you went and looked her up?

Mr. LEHR. She was mad at everybody in the business, and the linen supply company and she told me she was mad at the coverall company, and the association, and manufacturers and they wouldn't sell her and stuff like that.

Senator ERVIN. Do you know what that expression, "I will send you a letter" means?

Mr. LEHR. No, sir.

Senator ERVIN. You never heard it before?

Mr. LEHR. I never heard it before.

Senator ERVIN. Today is the first time you ever heard it?

Mr. LEHR. Yes, sir.

Senator ERVIN. And you had no idea what it means?

Mr. LEHR. I haven't the slightest idea, and I never threatened Mrs. Dawson and I don't have any reason to threaten her and I never will threaten her.

Mr. KENNEDY. Were you responsible for some of the other threats?

Mr. LEHR. Absolutely not; no, sir.

Mr. KENNEDY. Was your friend Angelo Meli responsible?

Mr. LEHR. I don't know.

Mr. KENNEDY. Or Vincent Meli?

Mr. LEHR. No, sir.

Mr. KENNEDY. Or Santa Perrone?

Mr. LEHR. I wouldn't know.

Mr. KENNEDY. Or none of those other people that you are associated with; is that right?

Mr. LEHR. I wouldn't know.

Mr. KENNEDY. Louis Riccardi?

Mr. LEHR. I wouldn't know, and I haven't seen Mr. Riccardi since I left the employ of Klean Linen.

Mr. KENNEDY. How many times do you think the people you have been associated with ever been arrested for murder?

Mr. LEHR. I haven't the slightest idea.

Mr. KENNEDY. Riccardi 5 times and Angelo Meli 3 times and Santa Perrone 2 times.

Mr. LEHR. I worked for him.

Mr. KENNEDY. You worked with them?

Mr. LEHR. I worked for them, and I drove a truck, and I had a route.

Mr. KENNEDY. And then these other individuals?

Mr. LEHR. What other individuals?

Mr. KENNEDY. Well, the Melis; Santa Perrone invested money in this company.

Mr. LEHR. What company?

Mr. KENNEDY. In this Star Coverall Co.

Mr. LEHR. Santa Perrone never invested a quarter to my knowledge.

Mr. KENNEDY. Vincent Meli testified to that, and he gave \$5,000 of the money that started this company.

Mr. LEHR. To my knowledge, my money—I knew where it came from.

Mr. KENNEDY. Those are the people you are associated with and whom you tell us that you never threatened anybody or know what it means to say, "You will get a letter," you are not telling the truth about that either.

Mr. LEHR. I will tell the truth on that point, absolutely, or any other point, and I never threatened Mrs. Dawson and I haven't any reason to threaten anybody or anyone. I am a businessman.

The CHAIRMAN. Are there any further questions?

The Chair made a statement awhile ago. He wasn't saying now who was telling the truth or who was not, and I can say what I believe, and I believe this witness has perjured himself, and I am going to ask the Justice Department to act with all diligence.

You may stand aside, and the committee will stand in recess until 10:30 a. m., next Tuesday morning.

(Whereupon, at 4:35 p. m., the committee adjourned to reconvene at 10:30 a. m., Tuesday, August 5, 1958.)

APPENIX

EXHIBIT No. 9

To Mrs. Dawson

There was a TELEPHONE CALL for you today

From Teamsters, MR. Huffer

Date 7-9-58 Time 1:50 Telephone P.M. Number

Message Tell Mae Dawson to keep her mouth shut and all will be alright, there will be no trouble.

Signed Virginia Slagel

EXHIBIT No. 10

To Mrs. Dawson

There was a TELEPHONE CALL for you today

From

Date 7-16-58 Time 1:00 Telephone P.M. Number

Message Not a threat - do not want any trouble. Telling you to be careful. Don't want anything to happen to her or her family. Please don't let her know she has been seeing Salinger (would not give name - just one of the competitors in the business). Everything was fine until she came into the business. We have given her with that little fringe Salinger. Don't know if she's going bankrupt, but we will.

EXHIBIT No. 11

CONFIRMATION City of Western Union
 TELEGRAPH TO BE MAILED TO SENDER

9H SEPT 25 601PME
 64 PD 3 EX
 WLT 5 9792

DAWSON INDUSTRIAL
 CONFIRMATION
 TO BE MAILED

COVERALL SUPPLY CO

2646 ERSKINE

DET

THIS IS TO ADVISE YOU THAT THIS CORPORATION HAS A
 CONTRACT WITH RALPH ELLSWORTH FORD INC TO FURNISH
 TO IT INDUSTRIAL GARMENT SUPPLY WHICH IS IN FULL
 FORCE AND EFFECT AND THAT WE WILL HOLD YOUR COMPANY
 LIABLE FOR ANY ACTION TAKEN ON YOUR PART TO CAUSE
 OR TEND TO CAUSE A BREACH OF SUCH CONTRACT BY RALPH
 ELLSWORTH FORD INC

DAWSON INDUSTRIAL

LAUNDRY INC

4643 MORAN DETROIT

DAWSON INDUSTRIAL LAUNDRY INC

4643 MORAN DETROIT 7, MICH.

CF

EX CFM FURNISHED

R

EXHIBIT No. 13

KURZ

ALT HEIDELBERG

43785 N. GRATIOT
MOUNT CLEMENS, MICH.

No. 9168

MOUNT CLEMENS, MICH.

December 24, 1937

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